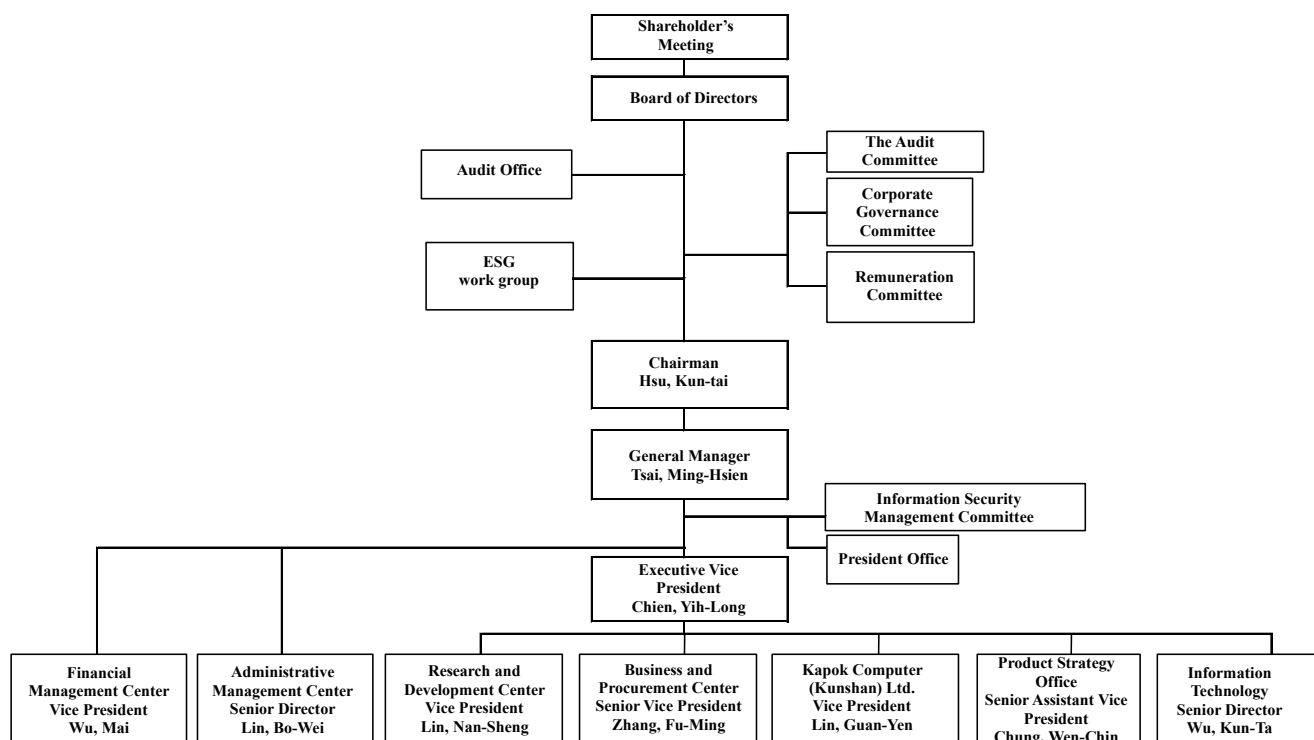


Corporate Governance Report

I. Organization System

(I) Organization Structure

Chart creation date: 2024.04.30



(II) Main Departments' Business

Name of Department	Responsible Business
Audit Office	Examine and review the internal control system of the Company and the subsidiaries, and audit all rules and systems.
President Office	Establish the Company's business targets and policies, operate each business and supervise/execute the affiliates' management.
Administrative Management Center	1. Be responsible for the human resource management and general administration management for the entire enterprise. 2. Be responsible for the legal and intellectual property management for the entire enterprise.
Financial Management Center	1. Engage in the accounting and tax affairs, set up the budget, analyze the business, and prepare the financial statement. 2. Fund planning, long-term and short-term investment, foreign exchange hedging, and interbank transactions. 3. Services of stock affairs, investor and media relations management, and corporate governance operations.
Research and Development Center	Be responsible for product's research, development, design and technological application.
Business and Procurement Center	1. Plan the global marketing, promote the business and sales; push the global deployment as well as deepen the regions and channel market. 2. Strengthen the after-sales services, meet the customers' demand, intensify the relationships with customers, reduce the risk of the bad debt and take charge of materials' support. 3. Strategic purchase, price negotiation and enquiry for the market price of the components of electrons and mechanisms. 4. Enhance the Company's image, participate in exhibition, advertise, plan and implement.
Kapok Computer (Kunshan) Ltd.	1. Be responsible for planning and coordination of orders received from Taiwan as well as production and manufacture in China. 2. Analyze the production capacity and set up the plans of production and manpower according to the plans of production and sales. 3. Prepare the material plans according to production plans, and control the issuance of material orders to maintain the lowest inventory volume. 4. Establish the production system with high-flexibility, high-efficiency, high-quality and low-cost to meet the customers' demand. 5. Implement the on-site real time service to enhance the service quality for the customers.
Product Strategy Office	Be responsible for new products' development and market development's planning.
Information Technology	1. Plan and Implement the IT operation and e-operation, integrate the IT and communication. 2. Application of systemic plans and design as well as information security and management.

II. Information for Directors, Supervisors, Presidents, Vice Presidents, Assistant Vice Presidents, Chiefs of Each Department and Branches

(I) Information for Directors and Supervisors

1.1 Name, sex, age, nationality or location of registration, education, experience, and other positions in the Company or other companies and other information of each director and supervisor

April 2, 2024

Title (Note 1)	Nationality/ Place of Registration	Name	Sex/ age (Note 2)	Date Elected (Assumed)	Term	First election/ appointment date (Note 3)	Shareholding When Elected		Current Shareholding		Current Shareholding by the Spouse and Minor Children		Shareholding Under Other Persons' Names		Education and experience (Note 4)	Current Other Positions for the Company and Other Companies Concurrently	Executives, Directors or Supervisors Who Are Spouses or Within Second-Degrees of Kinship			Remarks (Note 5)
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Title	Full name	Relationship	
Chairman	R.O.C.	Hsu, Kun- Tai	Male 61~70 years old	August 26, 2021	3 Years	October 4, 1983	51,701,335	7.96%	46,701,335	7.39%	21,371,784	3.38%	0	0.00%	Honorary doctorate of the Engineering Institute, Taipei University of Technology. Department of Electronic Engineering, National Taipei Institute of Technology Chairman, Clevo Co. Chairman, Chicony Electronics CO., Ltd Chairman, the Group of Buynow and the Group of the Chicony Plaza Department Store	Chairman, the Company Chairman, Chicony Electronics CO., Ltd Chairman, the Group of Buynow Chairman, Chicony Plaza Department Store Chairman, Epoque Group Chairman, Taipei Twin Towers Limited Chairman of Tua Tiann Co., Ltd.	-	-	-	-
Vice Chairperson and President	R.O.C.	Tsai, Ming- Hsien	Male 61~70 years old	August 26, 2021	3 Years	May 27, 1993	10,084,224	1.55%	10,084,224	1.59%	3,054,593	0.48%	0	0.00%	Executives Program, Graduate School of Business Administration, National Cheng-Chi University Department of Electronic Engineering, National Taipei Institute of Technology Vice Chairman and President, Clevo Co. Direct, Chicony Electronics CO., Ltd. President, the Buynow Group	President, the Company Director, Clevo Investment Co., Ltd. Chairperson and President, Kapok Computer Co., Ltd. Chairman, Kapok Computer (Kunshan) Co., Ltd. President, the Buynow Group Vice Chairman, Chicony Plaza Department Store Vice Chairman, Taipei Twin Towers Limited Direct, Chicony Electronics CO., Ltd.	-	-	-	-
Director	R.O.C.	Lu, Jin- Zong	Male 61~70 years old	August 26, 2021	3 Years	June 12, 1992	0	0.00%	0	0.00%	11,543	0.002%	0	0.00%	Graduate School of Business Administration, National Cheng-Chi University Department of Enterprise Management, National Cheng-Chi University General Manager of Chicony Electronics Co., Ltd. Director, Clevo Co.	Director and President of Chicony Electronics Co., Ltd. Legal Representative Chairman of Chicony Power Technology Co., Ltd., Zhanda Communication Co., Ltd., and Youkang Electronics Co., Ltd. Legal Representative of Hipro Electronics (Taiwan) Co., Ltd.; Kuang Sheng Investment, Chicony Energy, Newmax, and SOE Co., Ltd. Director, Subsidiary of Chicony Overseas Group Director and Secretary, Chicony U.S.A. Director and General Manger, Chicony Electronics (Dongguan) Supervisor of Maorui (Dongguan) and Chicony (Chongqing)	-	-	-	-
Director	R.O.C.	Chien, Yih- Long	Male 51~60 years old	August 26, 2021	3 Years	June 15, 2012	1,673,376	0.26%	1,673,376	0.26%	0	0.00%	0	0.00%	MBA, Phillips University, USA Director, Clevo Co. Executive Vice President, Notebook Business Group, Clevo Co.	Executive Vice President, Notebook Business Group, the Company President, Kapok Computer (Kunshan) Co., Ltd.	-	-	-	-

Title (Note 1)	Nationality/ Place of Registration	Name	Sex/age (Note 2)	Election (appointme nt) date	Term	First election/ appointment date (Note 3)	Shareholding When Elected		Current Shareholding		Current Shareholding by the Spouse and Minor Children		Shareholding Under Other Persons' Names		Education and experience (Note 4)	Current Other Positions for the Company and Other Companies Concurrently	Executives, Directors or Supervisors Who Are Spouses or Within Second-Degrees of Kinship			Remarks (Note 5)
							Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Title	Full name	Relationship	
Independent Director	R.O.C.	Chou, Po- Chiao	Male 71~80 years old	August 26, 2021	3 Years	June 15, 2018	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor, Department of Accountancy, NCKU Qualified Senior Examination of Accounting and Auditing Personnel Executive Director and President, First Commercial Bank Director and Vice President, First Financial Holding Chairman, US First Commercial Bank Chairman, First Venture Capital and First Consulting Vice Chairman, Waterland Financial Holdings Director, Taipei Financial Center Corporation	Independent Director, ITEQ Corporation	-	-	-	-
Independent Director	R.O.C.	Chen, Tsung- Ming	Male 71~80 years old	August 26, 2021	3 Years	June 16, 2015	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Tamsui Vocational High School Director, Zippy Materials Science Inc. Chairman, Betterment Co., Ltd.	Director, Zippy Materials Science Inc. Chairman, Betterment Co., Ltd.	-	-	-	-

Note 1: The name of corporate shareholders and the representatives of corporate shareholders should be listed separately (the representatives of corporate shareholders shall indicate the name of the corporate shareholders).

Note 2: Please list the actual ages. Indication by age groups allowed, such as 41~50 years old or 51~60 years old.

Note 3: First-time service as the Company's director or supervisor. Details required in case of gaps.

* Director Chin-Tsung Lu was elected as a supervisor of the Company for the first time on June 12, 2003; his term as a supervisor was finished on June 15, 2018 and he was re-elected as a director of the Company at the regular shareholders' meeting on June 18, 2019.

Note 4: Experience relevant to the current role. The positions and responsible tasks should be provided if previously working for the external auditing firm or its affiliates.

Note 5: If Chairman and President or the holder of an equivalent position (the highest level manager) are the same person, spouses or first-degree relative to each other, it is necessary to explain the reason, reasonableness, necessity and countermeasures (e.g., increase of independent directors and over half of the directors not serving as employees or managers).

1.2 Major Shareholders of the Corporate Shareholders (all of the directors of the Company are natural persons)

1.3 Professional qualifications of directors and supervisors and independence of independent directors

April 2, 2024

Criteria Full name	Professional qualification and experience (Note 1)	Independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Hsu, Kun-Tai	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act	(Note 3)	None
Tsai, Ming-Hsien	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act	(Note 3)	None
Lu, Jin-Zong	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act	(Note 3)	None
Chien, Yih-Long	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act	(Note 3)	None
Chou, Po-Chiao (Independent Director)	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act Work experience: Executive Director and President of First Commercial Bank; Director and Vice President of First Financial Holding Co., Ltd. (page 12)	(Note 4)	1
Chen, Tsung-Ming (Independent Director)	Work experience of over five years in business, law, finance or banking and no circumstances described in Article 30 of the Company Act Work experience: Chairman of Betterment Co., Ltd.; Director of Zippy Materials Science Inc. (page 12)	(Note 4)	None

Note 1: Professional qualification and experience: Please describe the professional qualifications and experience of each director and supervisor. It is necessary to describe accounting or financial background and work experience if in the Audit Committee and equipped with accounting or financial expertise. Please also explain whether there are circumstances described in Article 30 of the Company Act.

Note 2: It is required to describe the compliance of independence for independent directors. This includes but not limits to whether the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the Company or its affiliated enterprises; the number of shares and the percentage of shareholdings owned by the director, the director's spouse or any relative within two degrees (or under other people's names); whether the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the enterprises with specific relations with the Company (in reference to the fifth to the eighth paragraphs of Article 3-1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) and whether any business, legal, financial or accounting services were provided to the Company and its affiliated enterprises during the most recent two years and if so, the amount of compensations obtained.

Note 3: The members of the board of directors did not have the provisions Article 26-3 of the Securities and Exchange Act (the directors have more than half of the seats with spouses or relatives within the second degree) Items 3 and 4 (between supervisors or between supervisors and directors, no Spouse, kinship within the second degree) occurs under the prescribed circumstances.

Note 4: Compliance of independence is as follows:

- (1) None of the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the Company or affiliated enterprises.
- (2) None of the directors, the director's spouse, or any relative within two degrees hold any company shares or do so under the name of others as of April 2, 2023.
- (3) Not serving as a director, supervisor or employee of any enterprise with specific relations with the Company.
- (4) No rendering of services in business, law, finance or accounting to the Company or its affiliated enterprises during the most recent two years and hence no amount obtained as compensations.

1.4 Board Diversity Policy and Independence:

(1) Board diversity

ϕ Article 20 of the Company's Practical Guidelines on Corporate Governance stipulates the board diversity policy. The board members' nomination and election are executed according to the Company's Articles of Incorporation. The candidate nomination system is adopted. In addition to assessing each candidate's education, experience, and qualifications, the Company also refers to stakeholder feedback. The Procedures for Election of Directors and the Practical Guidelines on Corporate Governance are observed to the board diversity and independence.

The Company's current directors are all citizens of the Republic of China. Independent director Ling-Ming Lai resigned on May 31, 2023, resulting in a change from the original 7 directors to 6. Therefore, by the end of 2023, the proportion of directors with an employee status was 33%, while independent directors constituted 33%. One independent director has served for 3 to 6 years, and another has a 6 to 9-year tenure. Among the directors, 2 are aged 70 or above, 3 are between 61 and 70 years old, and 1 falls within the same age range. The Company places significant emphasis on gender equality in the composition of its board of directors. During the 2024 shareholders' meeting, including independent directors, the Company plans to recruit 2 professional and outstanding women to serve as directors. The proportion of female directors is estimated to increase to 29% by December 31, 2023. The implementation of diversity is summarized in the table below:

Name of Director	Nationality	Sex	Age	Independent director's tenure	Aspect I: Experiences Background					Aspect II: Overall Capability						
					Professional Background	Professional Techniques	Industrial Experiences	Capability for judging the business.	Capability for analyzing accounting and finance.	Capability for business management.	Capability for dealing with risks.	Industrial knowledge.	International market viewpoint.	Capability of leadership.	Capability of decision-making.	National Exam Certifications in line with the Company's business needs
Hsu, Kun-Tai	R.O.C.	Male	61~70		V	V	V	V	V	V	V	V	V	V	V	
Tsai, Ming-Hsien	R.O.C.	Male	61~70		V	V	V	V	V	V	V	V	V	V	V	
Lu, Jin-Zong	R.O.C.	Male	61~70		V	V	V	V	V	V	V	V	V	V	V	
Chien, Yih-Long	R.O.C.	Male	51~60		V	V	V	V	V	V	V	V	V	V	V	
Chou, Po-Chiao (Independent Director)	R.O.C.	Male	71~80	3~6 years	V	V	V	V	V	V	V	V	V	V	V	V
Chen, Tsung-Ming (Independent Director)	R.O.C.	Male	71~80	6~9 years	V	V	V	V	V	V	V	V	V	V	V	

Note: All of the Company's six directors have the aforesaid background, experience and professional expertise. Among the directors, Kuntai Hsu, Tsai, Ming-Hsien, Lu, Jin-Zong and Chien, Yih-Long are equipped with IT industry knowledge and international market perspectives. Chou, Po-Chiao has expertise in audit and experience with the financial industry. Chen, Tsung-Ming's deep understanding about the Japan helps the Company to promote business there.

Ⓜ The specific management objectives of the Company's diversification policy and the current achievement

status:

- (a) Management targets: At least two directors on the board should be equipped with one of the above capabilities. An individual director should have at least four of the above capabilities.
- (b) Achievements to date: The current board composition has achieved the diversity policy targets.

(2) Board independence

As of December 31, 2024, among the Company's six directors, two are independent (33%). None of the directors (including independent directors) is the spouse or relative within two degrees to each other. There is no government agency or legal person or its subsidiaries accounting for at least one third of the Company's board seats.

(II) Information for Presidents, Vice Presidents, Assistant Vice Presidents, and Chiefs of Each Department and Branches

April 2, 2024

Title (Note 1)	Nationality	Name	Sex	Date Elected (Assumed)	Shareholding		Shareholding of Spouse & Minor Children		Shareholding Under Other Persons' Names		Education and Experience (Note 2)	Current Other Position Concurrently	Managers Who are Spouses or Within Second-Degrees of Kinship			Remark (Note 3)
					Number of Share	Shareholding %	Number of Share	Shareholding %	Number of Share	Shareholding %			Title	Full name	Relationship	
Vice Chairperson and President	R.O.C.	Tsai, Ming-Hsien	Male	January 1999	10,084,224	1.57%	3,054,593	0.48%	0	0.00%	Executives Program, Graduate School of Business Administration, National Cheng-Chi University Department of Electronic Engineering, National Taipei Institute of Technology Vice Chairman and President, Clevo Co. Direct, Chicony Electronics CO., Ltd. President, the Buynow Group	Director, Clevo Investment Co., Ltd. Director and President, Kapok Computer Co., Ltd. Chairman, Kapok Computer (Kunshan) Co., Ltd. President, the Buynow Group Chicony Plaza Department Store Vice Chairman Taipei Twin Towers Limited Vice Chairman Direct, Chicony Electronics CO., Ltd.	-	-	-	-
Executive Vice President	R.O.C.	Chien, Yih-Long	Male	August 2003	1,673,376	0.26%	0	0.00%	0	0.00%	MBA, Phillips University, USA Director, Clevo Co. Executive Vice President, Notebook Business Group, Clevo Co.	President, Kapok Computer (Kunshan) Co., Ltd.	-	-	-	-
Senior Vice President	R.O.C.	Zhang, Fu-Ming	Male	August 2003	640,226	0.10%	0	0.00%	0	0.00%	Department of Computer Science & Information Engineering, National Taiwan University Assistant manager, Chaplet Vice President of Research and Development Center, Clevo Co.	None	-	-	-	-
Vice President, Chief of Finance/ Accounting and Officer of Corporate Governance	R.O.C.	Wu, Mai	Female	November 2007	118,809	0.02%	0	0.00%	0	0.00%	Department of Business Administration, Chung Yuan Christian University Guang-Nan Enterprise, Igee Technology Vice President of Finance and Accounting Office, Clevo Co.	None	-	-	-	-
Vice President	R.O.C.	Li, Wen-Hua	Male	December 2004	143,538	0.02%	0	0.00%	0	0.00%	Department of Industrial Design, Tatung Institute of Technology Section Head, Yuanxing Technology Corp Director of Planning Office, Buynow Vice President, Buynow Asset Management Center	None	-	-	-	-
Vice President	R.O.C.	Chen, Hsueh-Wen	Male	April 2010	238,040	0.04%	0	0.00%	0	0.00%	Master, School of Management, National Central University Sales Engineer, Jinyi Co., Ltd. Sales Assistant Manager, Xusheng Technology President of Business Division, Synnex Technology International Corporation Vice President, Buynow Malls Operation Center	None	-	-	-	-
Vice President	R.O.C.	Lin, Nan-Sheng	Male	September 2013	95,000	0.02%	0	0.00%	0	0.00%	Master of Computer Science and Information Engineering, Fu Jen Catholic University Formal Engineer, Chaplet Manager, Zhi-Sheng Computer Senior Manager, Elitegroup Computer Senior Assistant Vice President of Sales Center, Clevo Co.	None	-	-	-	-
Vice President	R.O.C.	Lin, Guan-Yen	Male	September 2011	184,338	0.03%	50	0.00%	0	0.00%	Department of Mass Communications, Private Chinese Culture University Engineer, Phihong Technology Senior Assistant Vice President, Kunshan factory, CLEVO CO.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Wang, Feng-Zhu	Female	May 2005	139,311	0.02%	10,324	0.002%	0	0.00%	EMBA, National Cheng-Chi University Section Manager of Sales, Acer Section Manager of Sales, Ligitek Assistant Vice President of Sales Center, Clevo Co.	None	-	-	-	-

Title (Note 1)	Nationality	Name	Sex	Date Elected (Assumed)	Shareholding		Shareholding of Spouse & Minor Children		Shareholding Under Other Persons' Names		Education and Experience (Note 2)	Current Other Position Concurrently	Managers Who are Spouses or Within Second-Degrees of Kinship			Remark (Note 3)
					Number of Share	Shareholding %	Number of Share	Shareholding %	Number of Share	Shareholding %			Title	Full name	Relationship	
Senior Assistant Vice President	R.O.C.	Zhang, Wen-Song	Male	September 2003	251,236	0.04%	0	0.00%	0	0.00%	Department of Electrical Engineering, National Taiwan Ocean College Supervisor, Wei-Lu Assistant Vice President of the Procurement Office, Clevo Co.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Chung, Wen-Chin	Male	October 2009	0	0.00%	0	0.00%	0	0.00%	Department of Industrial Engineering, Feng Chia University Director, Quanta Computer Assistant Vice President, Clevo Co.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Cheng, Yu-Ming	Male	August 2003	0	0.00%	0	0.00%	0	0.00%	Master of Industrial Management, National Taiwan University of Science and Technology Senior Manager, Getac Senior Manager, American Megatrends Incorporated Assistant Vice President of Research and Development Center, Clevo Co.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Lin, Sheng-Hsiang	Male	November 2007	228,716	0.04%	0	0.00%	0	0.00%	Two-Year of Nanya Industrial and Technological Junior College Deai Enterprise Ltd. Zhanxin Electric Ltd. Assistant Vice President of Research and Development Center, Clevo Co.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Lin, Liang-Shih	Male	September 2012	45,825	0.01%	0	0.00%	0	0.00%	Department of Electronic Engineering, Lien Ho Industrial and Technological Junior College Senior Engineer, First International Computer Yuan Yi Technology Taiteng Company Jixin Computer Assistant Vice President of Research and Development Center, Clevo Co.	None	-	-	-	-
Senior Assistant Vice President	R.O.C.	Chen, Tsung-Chih	Male	October 2009	139,965	0.02%	0	0.00%	0	0.00%	Department of Electrical Engineering, Chinese Culture University Assistant Manager, Hexing Technology Manager, HTC Corporation Assistant Vice President of Research and Development Center, Clevo Co.	None	-	-	-	-

Note 1: It should include the President, deputy President, assistant vice president, supervisors of all departments and divisions, and the information for any position that is equivalent to the President, deputy President or assistant vice president should also be disclosed.

Note 2: For experience related to the current position, if the person had worked in a CPA accounting firm or its associated company during the aforesaid period, the position title and responsibility of the person shall be stated.

Note 3: Where the President and the chairman or person of an equivalent position (the highest level manager) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response (such as increasing the number of independent directors and more than half of the directors shall not serve as employees or managers, etc.) thereto.

III. Remuneration of Directors, Supervisors, President and Vice Presidents during the most recent year

(1) Remuneration of general directors and independent directors (names are disclosed by the way of gathering the amount together and tie-in with the range of remuneration)

Unit: NTS thousand

Title	Dismissed Full name	Remuneration of Directors								Sum of A, B, C and D and as % of net income (Note 10)	
		Base Compensation (A)(Note 2)		Severance Pay (B)		Bonus to Directors (C)(Note 3)		Business Allowances (C)(Note 4)			
		The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements
Chairman	Hsu, Kun-tai	0	0	0	0	10,700	10,700	560	560	11,260	1.06%
Vice Chairperson and President	Tsai, Ming-Hsien										
Director	Lu, Jin-Zong										
Director and Executive Vice President	Chien, Yih-Long										
Independent Director	Chou, Po-Chiao	0	0	0	0	2,000	2,000	1,150	1,150	3,150	0.30%
	Chen, Tsung-Ming										
	Lai, Ling-Ming (Resignation on 2024/05/31)										

Title	Full name	Relevant Remuneration Received by Directors Who are Also Employees								Sum of A, B, C, D, E, F and G and as % of net income (Note 10)		Compensation from an invested company other than the Company's subsidiaries or from its parent company (Note 11)		
		Salary, Bonuses, and Special Allowances (E) (Note 5)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)(Note 6)								
		The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company		All companies in the consolidated financial statements (Note 7)		The Company	All companies in the financial statements			
				Cash amount	Amount of Stock	Amount of Cash	Amount of Stock							
Chairman	Hsu, Kun-tai	10,773	57,738	201	201	6,827	0	6,827	0	29,061	2.74%	76,026	7.17%	7,200
Vice Chairperson and President	Tsai, Ming-Hsien													
Director	Lu, Jin-Zong													
Director and Executive Vice President	Chien, Yih-Long													
Independent Director	Chou, Po-Chiao	0	0	0	0	0	0	0	0	3,150	0.30%	3,150	0.30%	None
	Chen, Tsung-Ming													
	Lai, Ling-Ming (Resignation on 2024/05/31)													

- Please state the policies, systems, standards and structure of the remuneration for independent directors, and describe the relevance for the amount of payment based on factors such as responsibilities, risks, and dedicated time:
According to Article 5 of the "Rules for Duties and responsibilities of Independent Directors" of the Company, "the remuneration of independent directors of the Company shall be stipulated in the articles of incorporation upon the resolution in the shareholders' meeting and their remuneration may be different from general directors and supervisors that is in a reasonable range. On the basis of relevant legal procedures, the independent director's remuneration may also be determined as a fixed amount of monthly remuneration and not to join the Company's appropriation of earnings." Taking into consideration that responsibilities, risks, and dedicated time for independent directors are higher than that for general directors, and thus they should be given a reasonable annual remuneration. However, in addition to the supervisory duty as well as independent and external perspectives, the independent directors are also expected to fulfill the duties of strategic advice and performance enhancement as other board members. Therefore, the independent directors' performance will be taken into consideration for their remuneration as other general directors. The Company's independent directors also serve as members of the Audit Committee, the Remuneration Committee, and the Corporate Governance Committee. Attendance fees are set up for each meeting attended in person, depending on the responsibilities, risks, time commitments assigned by committee charters.
- Other than the above disclosed, any compensations received by the Company's directors by rendering services (e.g., consulting not in an employee's capacity for the parent, any companies/investees included in the financial statements) during the most recent year: none

*Relevant information on directors (non-independent) and independent directors to be separately listed

Range Table for Remuneration:

Range of Remuneration Paid to The Company's Directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the consolidated financial statements (Note 9) H	The Company (Note 8)	All companies in the consolidated financial statements (Note 9) I
Under NTS 1,000,000	Lai, Ling-Ming	Lai, Ling-Ming	Lai, Ling-Ming	Lai, Ling-Ming
NTS 1,000,000 ~ NTS 1,999,999	Lu, Jin-Zong / Chou, Po-Chiao / Chen, Tsung-Ming	Lu, Jin-Zong / Chou, Po-Chiao / Chen, Tsung-Ming	Lu, Jin-Zong / Chou, Po-Chiao / Chen, Tsung-Ming	Lu, Jin-Zong / Chou, Po-Chiao / Chen, Tsung-Ming
NTS 2,000,000 ~ NTS 3,499,999	Chien, Yih-Long	Chien, Yih-Long		
NTS 3,500,000 ~ NTS 4,999,999	Hsu, Kun-tai / Tsai, Ming-Hsien	Hsu, Kun-tai / Tsai, Ming-Hsien		
NTS 5,000,000 ~ NTS 9,999,999			Hsu, Kun-tai / Tsai, Ming-Hsien	Hsu, Kun-tai
NTS 10,000,000 ~ NTS 14,999,999			Chien, Yih-Long	
NTS 15,000,000 ~ NTS 29,999,999				Chien, Yih-Long
NTS 30,000,000 ~ NTS 49,999,999				Tsai, Ming-Hsien
NTS 50,000,000 ~ NTS 99,999,999				
Over NTS 100,000,000				
Total	7 Persons	7 Persons	7 Persons	7 Persons

Note 1: The names of the directors shall be listed individually (the corporate shareholders shall list the names of the corporate shareholders and their representatives individually). The general directors and independent directors shall be listed separately and the payment of each item shall be disclosed in an accumulated amount. If a director has also served as a president or vice president, this table and the following table (3-1), or (3-2-1) and (3-2-2) shall be filled in.

Note 2: Refer to the remuneration of the directors (including the directors' salary, position allowances, severance pay, various bonus and rewards etc.) in the most recent year.

Note 3: Fill in the remuneration of the directors which was passed by the board of directors in the most recent year.

Note 4: Refers to the directors' related business allowances (including transportation allowances, special allowances, various allowances, dormitory and equipping car etc.) in the most recent year. If a house, a car and other transportation tool or other expenditure that is dedicated for personal use is provided, such assets' nature, cost, real rental or rental calculated by fair market price, gasoline expenses or other payments shall be disclosed. Besides, if a driver is equipped, such driver's related compensation paid by the Company shall be annotated without counting into remuneration.

Note 5: Refers to relevant remuneration received by directors who are also employees (including concurrently serves as a president, vice president, other manager or employee), including salary, position allowances, severance pay, various bonus, rewards, transportation allowances, special allowances, various allowances, dormitory and equipping car etc. in the most recent year. If a house, a car and other transportation tool or other expenditure that is dedicated for personal use is provided, such assets' nature, cost, real rental or rental calculated by fair market price, gasoline expenses or other payments shall be disclosed. Besides, if a driver is equipped, such driver's related compensation paid by the Company shall be annotated without counting into remuneration. In addition, the salary expenses which were recognized according to the IFRS 2 "Share-Based Payment," including exercisable employee stock options, new restricted employee shares and participating in subscribing shares for capital increased by cash etc., shall be counted into remuneration.

Note 6: Refers to a director who is also an employee (including concurrently serves as a president, vice president, other manager or employee) received the employee's compensation (including stock and cash) in the most recent year, the amount of such employee's compensation passed by the board of director in the most recent year shall be disclosed. If it is unable to estimate, the amount to which it will be proposed to distribute this year shall be calculated upon the percentage of last year's actual distributed amount, and shall fill in Appendix 1-3 additionally.

Note 7: The total remuneration paid by the companies in the consolidated financial statements (including the Company) to the Company's directors shall be disclosed.

Note 8: Upon each item's total remuneration paid by the Company to directors, the names of the directors shall be disclosed in the corresponding range.

Note 9: Each item's total remuneration paid by companies in the consolidated financial statements (including the Company) to the Company's directors shall be disclosed, the names of the directors shall be disclosed in the corresponding range.

Note 10: The net income shall refer to the net income stated in the parent or individual financial statement in the most recent year.

Note 11: a. This column shall specifically fill in the related compensation of directors of the Company which was received from an invested company other than the Company's subsidiary or from its parent company (please fill in "None" if it is not applicable).

b. If the compensation of the Company's director was received from an invested company other than the Company's subsidiary or from its parent company, such compensation received by the Company's directors from an invested company other than the Company's subsidiary or from its parent company shall be combined into the "I" column of the range table of remuneration, and the name of the column shall be renamed as "The parent company and all invested businesses."

c. Remuneration refers to the compensation, remuneration (including employee, director and supervisor) and business allowances received by the Company's directors who serve as directors, supervisors or managers of its parent company or an invested company other than the Company's subsidiary.

Note 12: Events specified under Clause 2 of Article 10, Section 3 of the Guidelines for Matters to be Recorded in the Annual Reports of Publicly Issued Companies have not occurred in our company.

* The concept of income from the remuneration disclosed in this table is different from the Income Tax Act. So the purpose of this table shall be the purpose of disclosure only without using for tax.

(II) Remuneration of Supervisor (The Company has established the Audit Committee in 2018, so this is not applicable.)

(III) Remuneration of Presidents and Vice Presidents (names are disclosed by the way of gathering the amount together and tie-in with the range of remuneration)

Unit: NT\$ thousand

Title	Full name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Special Allowances (C) (Note 3)		Total Employee Remuneration (Note 4)				Sum of A, B, C and D and as % of net income (Note 8)		Compensation from an invested company other than the Company's subsidiaries or from its parent company (Note 9)
		The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements (Note 5)	The Company		All companies in the consolidated financial statements (Note 5)		The Company	All companies in the financial statements	
								Cash amount	Amount of Stock	Amount of Cash	Amount of Stock			
Vice Chairman and President	Tsai, Ming-Hsien	14,665	25,315	1,275	1,275	4,227	53,317	17,754	0	17,754	0	37,921 3.58%	97,661 9.21%	3,600
Executive Vice President	Chien, Yih-Long													
Senior Vice President	Zhang, Fu-Ming													
Vice President, Chief of Finance/Accounting and Officer of Corporate Governance	Wu, Mai													
Vice President	Li, Wen-Hua													
Vice President	Chen, Hsueh-Wen													
Vice President	Lin, Nan-Sheng													
Vice President	Lin, Guan-Yen													

Range Table of Remuneration:

Range of Remuneration Paid to the Company's Presidents and Vice President	Name of President and Vice Presidents	
	The Company (Note 6)	Companies in the consolidated financial statements (Note 7) E
Under NTD 1,000,000		
NTD 1,000,000 ~ NTD 1,999,999		
NTD 2,000,000 ~ NTD 3,499,999	Wu, Mai / Lin, Guan-Yen / Chen, Hsueh-Wen	
NTD 3,500,000 ~ NTD 4,999,999	Tsai, Ming-Hsien / Lin, Nan-Sheng / Li, Wen-Hua	Wu, Mai / Lin, Guan-Yen /
NTD 5,000,000 ~ NTD 9,999,999	Chien, Yih-Long / Zhang, Fu-Ming	Li, Wen-Hua / Chen, Hsueh-Wen / Lin, Nan-Sheng
NTD 10,000,000 ~ NTD 14,999,999		Zhang, Fu-Ming
NTD 15,000,000 ~ NTD 29,999,999		Chien, Yih-Long
NTD 30,000,000 ~ NTD 49,999,999		Tsai, Ming-Hsien
NTD 50,000,000 ~ NTD 99,999,999		
Over NTD 100,000,000		
Total	8 people	8 people

Note 1: The names of the presidents and vice presidents shall be listed individually and shall disclose each item's amount gathered together. If a director has also served as a president or vice president, this table and the above table (1-1), or (1-2-1) and (1-2-2) shall be filled in.

Note 2: Fill in president's and vice presidents' salary, position allowances, severance pay in the most recent year.

Note 3: Various bonuses, rewards, transportation allowances, special allowances, various allowances, dormitories, and company cars, etc. and other remunerations to President and Vice Presidents during the most recent year. If a house, a car and other transportation tool or other expenditure that is dedicated for personal use is provided, such assets' nature, cost, real rental or rental calculated by fair market price, gasoline expenses or other payments shall be disclosed. Besides, if a driver is equipped, such driver's related compensation paid by the Company shall be annotated without counting into remuneration. In addition, the salary expenses which were recognized according to the IFRS 2 "Share-Based Payment," including exercisable employee stock options, new restricted employee shares and participating in subscribing shares for capital increased by cash etc., shall be counted into remuneration.

Note 4: Fill in the amount of the employee's compensation of presidents and vice presidents passed by the board of director in the most recent year. If it is unable to estimate, the amount to which will be proposed to distribute this year shall be calculated upon the percentage of last year's actual distributed amount, and shall fill in Appendix 1-3 additionally.

Note 5: Total amounts of all remunerations to the Company's president and vice presidents paid by all companies (including the Company) in the consolidated statements should be disclosed.

Note 6: Upon each item's total remuneration paid by the Company to presidents and vice presidents, the names of the presidents and vice presidents shall be disclosed in the corresponding range.

Note 7: Each item's total remuneration paid by companies in the consolidated financial statements (including the Company) to the Company's presidents and vice presidents shall be disclosed, and the names of the presidents and vice presidents shall be disclosed in the corresponding range.

Note 8: Net income refers to the net income of the parent or individual financial reports during the most recent year.

Note 9: a. This column is for the amount of remunerations to the Company's president and vice presidents paid by non-subsiary investees or the parent company. (Please indicate "none" if there isn't any.)

b. If the related compensation of the Company's presidents and vice presidents was received from the parent company or an invested company other than the Company's subsidiary, such compensation received by the Company's presidents and vice presidents from the parent company or an invested company other than the Company's subsidiary shall be combined into the "E" column of the range table of remuneration, and the name of column shall be renamed as "The parent company and all invested businesses."

c. Remunerations refer to rewards, compensations (including those paid to employees, directors and supervisors) and business execution expenses, etc. paid to the Company's president and vice presidents as directors, supervisors, or managers for non-subsiary investees or the parent company.

* The concept of income from the remuneration disclosed in this table is different from the Income Tax Act. So the purpose of this table shall be the purpose of disclosure only without using for tax.

(IV) According to the Regulations Governing Information to be Published in Annual Reports of Public Companies, it is necessary to disclose the remuneration to the top five highest paid executives in event of the following circumstances: not applicable to the Company

(1) It is necessary to disclose the remuneration to each director and supervisor in case of net losses in individual or unconsolidated financial statements during the most recent three years. However, this does not apply to the circumstances where net incomes have been reported in individual or unconsolidated financial statements during the most recent year and such net incomes are sufficient to offset accumulated losses.

(2) If the TWSE/TPEX listed company that ranked in the bottom two tiers in the corporate governance evaluation during the most recent year or the trading method was changed, suspended or delisted during the most recent year and as of the publication date of the annual report, or was not accepted by the Corporate Governance Evaluation Committee.

(V) Names of managers who received compensations as employees

Unit: NT\$ thousand December 31, 2023

	Title (Note 1)	Full name (Note 1)	Amount of Stock	Amount of Cash	Total	Ratio of Total Amount to Net Income (%)
Managers	Vice Chairman and President	Tsai, Ming-Hsien	0	36,273	36,273	3.42%
	Executive Vice President	Chien, Yih-Long				
	Senior Vice President	Zhang, Fu-Ming				
	Vice President	Li, Wen-Hua Chen, Hsueh-Wen Wu, Mai Lin, Nan-Sheng Lin, Guan-Yen				
	Senior Assistant Vice President	Zhang, Wen-Song Wang, Feng-Zhu Cheng, Yu-Ming Lin, Sheng-Hsiang Chung, Wen-Chin Lin, Liang-Shih Chen, Tsung-Chih				

Note 1: The individual name and title shall be disclosed, but appropriation of earnings shall be disclosed with the amount gathered.

Note 2: Fill in the amount of the employee's compensation of the managers (including stock and cash) passed by the board of directors in the most recent year. If it is unable to estimate, the amount to which it will be proposed to distribute this year shall be calculated upon the percentage of last year's actual distributed amount. Net income refers to the net income in the most recent year. ; for those adopted the IFRS, the net income shall refer to the net income stated in the parent or individual financial statement in the most recent year.

Note 3: According to the Letter No. 0920001301 released by the Institute on March 27, 2003, the applicable scope of the manager is as follows:

- (1) president and the equivalent grade, (2) vice president and the equivalent grade, (3) assistant vice president and the equivalent grade, (4) chief of finance department, (5) chief of accounting department, (6) other persons who manage the Company's affairs and have the authority of signature.

Note 4: If the directors, presidents and vice presidents received the employees' compensation (including stock and cash), except for filling in the Appendix 1-2, this table shall be filled in additionally.

(VI) Analysis on the total remuneration paid by the Company and all companies in the consolidated financial statements to the Company's directors, supervisors, President and vice presidents during the most recent two years as a percentage of net incomes in individual or unconsolidated financial statements and explanation of the remuneration policy, standard and combination, the procedure of determining the remuneration and the relation with operating performance and future risks:

1. The ratio of the total remuneration paid to directors, supervisors, presidents and vice presidents of the Company in the last two years, by the Company and by all companies included in the consolidated financial statements, to the net income in the parent or individual financial statement is analyzed as follows:

Title	2022				2023			
	Total Remuneration (NT\$ thousand)		Ratio to Net Income (%)		Total Remuneration (NT\$ thousand)		Ratio to Net Income (%)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director (Note 1)	12,540	12,540	1.52%	1.52%	14,410	14,410	1.36%	1.36%
Presidents and Vice Presidents (Note 2)	43,176	101,803	5.24%	12.35%	32,263	92,509	3.04%	8.73%
Total	55,716	114,343	6.76%	13.87%	46,673	106,919	4.40%	10.09%

Expense of Share-Based Payment (Note 3)	0	0	0%	0%	0	0	0%	0%
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Note 1: The remuneration of directors has deducted the related compensation received by the directors for serving as the Company's internal managers concurrently.

Note 2: The compensation of presidents and vice presidents has deducted the related remuneration received for serving as the Company's directors concurrently.

Note 3: Refers to the compensation cost transferred from treasury shares which is recognized based on No. 2 of IFRSs.

2. Correlation between remuneration payment policies, standards, and combinations; remuneration setting procedures; business performance; and future risks:

- (1) The remuneration of directors and managers shall be paid according to Article 23 and Article 26 of the Company's Article of Incorporation. The Company's earnings, based on final accounts of the period, shall be reserved first for payable income tax according to laws and for offsetting of losses from previous years. The remaining amount shall be set aside 10% for legal reserve, and reserve or reverse the special reserve as required by law or the competent authority. The remaining earnings, if any, shall be reserved at 5%-15% as remuneration to the employees (including managers) and no more than 1% as remuneration to directors.
- (2) The evaluation of the remuneration of the Chairman, vice Chairman, directors and supervisors shall be based on the Company's Regulations Governing the Board Performance assessment.
- (3) The compensation of the president shall be paid upon Article 29 of the Company Act and Article 24 of the Company's Article of Incorporation.
- (4) The compensation of vice presidents shall be paid according to the Company's personnel rules, employment rules and performance assessment guidelines and based on overall contribution to the Company.
- (5) The regular assessment of salaries and remunerations to directors and managers is based on the participation in the Company's operations, the individual's performance, target achievement rates, profit margins, and contributions, as well as indicators in legal compliance and operational risks. The percentage of remunerations is determined after all factors considered, in order to provide reasonable compensations. The review of the remuneration system for directors and managers also involves a constant and timely process of evaluating the operational status and relevant laws, in order to balance between sustainable operations and risk control. The important decisions of the Company's management level are made after balancing various risk factors. The performance of relevant decisions is reflected in the Company's profit status, and the management level's remuneration is related to the risk control performance. The remunerations for directors and managers in 2023 shall be submitted to the Board of Directors' meeting for approval after deliberation by the Remuneration Committee.

IV. Implementation of Corporate Governance

(I) Information of the Board of Directors Operation

The Board of Directors held 6 (A) meetings in 2023. The attendance of the director was as follows:

Title	Name (Note 1)	Attendance in Person (B)	No. of attendance by proxy	Attendance Rate (%) 【B/A】 (Note 2)	Remark
Chairman	Hsu, Kun-tai	6	0	100%	
Director	Tsai, Ming-Hsien	6	0	100%	
Director	Chien, Yih-Long	6	0	100%	
Director	Lu, Jin-Zong	6	0	100%	
Independent Director	Chou, Po-Chiao	6	0	100%	
Independent Director	Chen, Tsung-Ming	6	0	100%	
Independent Director	Lai, Ling-Ming	3	0	100%	Resigned on May 31, 2024, so actual attendance of 3 times

Other mentionable items:

I. If the operation of the board of director has one of the following circumstances, the dates of the board's meetings, sessions, contents of motion, all independent directors' opinions and the actions taken by the Company for the opinions of independent directors shall be specified:

(I) The circumstances listed in Article 14-3 of the Securities and Exchange Act: The Company has established the Audit Committee in 2018. Pursuant to Article 14-5 of the Securities and Exchange Act, the Article 14-3 shall not be applicable.

(II) Except for the aforesaid circumstances, any resolution of the board of directors was objected by or subject to a qualified opinion from any of independent directors with record or written statement: No such circumstance in this year.

II. If there are directors' avoidance of motions in conflict of interest, the names of directors, contents of motion, causes for avoidance and voting shall be specified:

◆ Board meeting date: 2023.01.12

Name of Director: Hsu, Kun-Tai and Tsai, Ming-Hsien

Proposal: Discuss the annual bonus plan for managers of 2022 reviewed by Compensation Committee.

Causes for recusal: Chairman Hsu, Kun-Tai and Vice-chairperson Tsai, Ming-Hsien were interested parties and were recused due to the interest relationship. Director Lu, Jin-Zong was publicly recommended as the chairman for the case.

Participation in Voting: Except the directors (Mr. Hsu, Kun-Tai and Tsai, Ming-Hsien) did not participate in or represent the discussion and voting due to avoidance of conflict of interest, all other directors agreed with the proposal without any objection.

◆ Board meeting date: 2023.03.15

Directors: Kuntai Hsu, Tsai, Ming-Hsien, Lu, Jin-Zong, Chien, Yih-Long

Proposal: Distribution of 2022 remuneration to directors

Reason for recusal due to conflict of interest: Chairman Kuntai Hsu, Vice Chairman Tsai, Ming-Hsien, and directors Lu, Jin-Zong and Chien, Yih-Long were interested parties and recused themselves. The independent director Chou, Po-Chiao was elected to chair this proposal.

Voting: Directors Mr. Kuntai Hsu, Mr. Tsai, Ming-Hsien, Mr. Lu, Jin-Zong and Mr. Chien, Yih-Long did not participate in voting due to conflict of interest. All the other directors approved the proposal without objection.

◆ Board meeting date: 2023.03.15

Directors: Chou, Po-Chiao, Chen, Tsung-Ming, Lai, Ling-Ming

Proposal: Distribution of 2022 remuneration to independent directors

Reason for recusal due to conflict of interest: Independent directors Chou, Po-Chiao, Chen, Tsung-Ming, Lai, Ling-Ming were interested parties and hence recused themselves. They did not participate in the voting.

Voting: Independent directors Mr. Chou, Po-Chiao, Mr. Chen, Tsung-Ming and Ms. Lai, Ling-Ming were interested parties and hence recused themselves from the discussion and the voting. All the other directors approved the proposal without objection.

◆ Board meeting date: 2023.07.05

Directors: Kuntai Hsu, Tsai, Ming-Hsien, Lu, Jin-Zong, Chien, Yih-Long

Proposal: Distribution of 2022 remuneration to directors

Reason for recusal due to conflict of interest: Chairman Kuntai Hsu, Vice Chairman Tsai, Ming-Hsien, and directors Lu, Jin-Zong and Chien, Yih-Long were interested parties and recused themselves. The independent director Chou, Po-Chiao was elected to chair this proposal.

Voting: Directors Mr. Kuntai Hsu, Mr. Tsai, Ming-Hsien, Mr. Lu, Jin-Zong and Mr. Chien, Yih-Long did not participate in voting due to conflict of interest. All the other directors approved the proposal without objection.

◆ Board meeting date: 2023.07.05

Directors: Chou, Po-Chiao, Chen, Tsung-Ming

Proposal: Distribution of 2022 remuneration to independent directors

Reason for recusal due to conflict of interest: Independent directors Chou, Po-Chiao, Chen, Tsung-Ming were interested parties and hence recused themselves. They did not participate in the voting.

Voting: Independent directors Mr. Chou, Po-Chiao, Mr. Chen, Tsung-Ming and were interested parties and hence recused themselves from the discussion and the voting. All the other directors approved the proposal without objection.

- ◆ Board meeting date: 2023.07.05
Director: Tsai, Ming-Hsien, Chien, Yih-Long
Proposal: Distribution of 2022 remuneration to employees.
Reason for recusal due to conflict of interest: Vice Chairman Tsai, Ming-Hsien and Director Chien, Yih-Long are the Company's managers and hence recused from voting as interested parties.
Participation in Voting: Except the directors (Mr. Tsai, Ming-Hsien and Chien, Yih-Long) did not participate in or represent the discussion and voting due to avoidance of conflict of interest, all other directors agreed with the proposal without any objection.
- ◆ Board meeting date: 2023.08.11
Name of Director: Hsu, Kun-Tai and Tsai, Ming-Hsien
Proposal: Capital increase of NT\$3.75 billion in Taipei Twin Towers Limited.
Causes for recusal: Chairman Hsu, Kun-Tai and Vice-chairperson Tsai, Ming-Hsien were interested parties and were recused due to the interest relationship. Director Lu, Jin-Zong was publicly recommended as the chairman for the case.
Participation in Voting: Except the directors (Mr. Hsu, Kun-Tai and Tsai, Ming-Hsien) did not participate in or represent the discussion and voting due to avoidance of conflict of interest, all other directors agreed with the proposal without any objection.

III. The exchange-listed and OTC-listed companies shall disclose the information on the evaluation period and duration, evaluation scope, evaluation method and evaluation content from the self (or peer) evaluation of the Board of Directors, and the following table for the board's evaluation status shall be filled out.

(1) To implement the corporate governance and functional committees, the performance assessment for the Board of Directors and functional committees are conducted in accordance with the Company's "Regulations Governing the Board Performance assessment" as follows:

Evaluation period	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Conduct once a year	2023/01/01 to 2023/12/31	Board of Directors	Internal self-assessment of the Board of Directors	(1) Participating level for the Company's business. (2) Enhancing the decision quality for the board. (3) Composition and structure of the Board of Directors. (4) Directors' election and continuous education. (5) Internal control.
Conduct once a year	2023/01/01 to 2023/12/31	Individual board members	Self-assessment by directors	(1) Mastery of company goals and tasks (2) Acknowledgement of directors' duties and responsibilities (3) Participation level for the Company's operations (4) Management and communication of internal relations (5) Professionalism and continued education of directors (6) Internal control
Conduct once a year	2023/01/01 to 2023/12/31	Functional Committees (Audit Committee, Remuneration Committee, and Corporate Governance Committee)	Internal self-assessment of the functional committee	(1) Participating level for the Company's business. (2) Understanding of the functional committee's responsibilities. (3) Improvement of decision-making quality of functional committees. (4) Composition of the functional committee and selection of members (5) Internal control.

(2) The Company's board, individual directors, and functional committees have completed the internal self-assessments for 2023. The assessment results were presented to the Board of Directors on March 14, 2024, as shown on pages 39-40.

IV. Targets for the enhancement of the board's functioning during the year and the most recent year and assessment of implementations:

(I) Establishment of Corporate Governance Committee

To enhance the performance of corporate governance and the image of company operations, the Board of Directors approved the Corporate Governance Committee Charter on November 12, 2020, and established the Corporate Governance Committee accordingly. Directors Mr. Tsai, Ming-Hsien and Mr. Chien, Yih-Long and independent directors Mr. Chou, Po-Chiao, Mr. Chen, Tsung-Ming, and Ms. Lai, Ling-Ming (resigned on May 31, 2023, the vacancy is planned to be filled after the re-election of directors at the shareholders' meeting on May 31, 2024) serve as the committee members. The Corporate Governance Committee submitted its 2024 implementation plan for the board's approval on November 10, 2023. The overall functioning was healthy and effective in contributing to the board's performance.

(II) Effectiveness assessment of the board and functional committees

The Company has completed the internal performance review of the Board of Directors and the functional committees for 2023. The assessment results were presented to the Board of Directors on 2024.03.14 to enhance the board's effectiveness. The board's overall functioning was robust. The assessment results are available on pages 39-40.

Note 1: If a director or a supervisor is a juridical person, the name of corporate shareholder and its representatives shall be disclosed.

Note 2: (1) If a director or a supervisor resigns before the end of year, the date of resignation shall be noted in the column of remark. The ratio of the attendance in person (%) shall be counted by the number of the board's meeting in the period of service and such person's actual number of attendance in person.

(2) If a director or supervisor is re-elected before the end of the year, both new and old directors or supervisors shall be filled in, and the information that such person is an old or a new director or supervisor, as well as the date of renewal or re-election shall be noted in the column of remark. The ratio of the attendance in person (%) shall be counted by the number of the board's meeting in the period of service and such person's actual number of attendance in person.

(II) Operation of Audit Committee or Supervisors' Participation in the Board of Director:

1. Operation of the Audit Committee:

The Company's Audit Committee consists of three independent directors. One independent director is elected by all the members as the convener and meeting chair. The operational methods are carried out in accordance with the Company's "Audit Committee Charter." The Audit Committee aims to assist the Board of Directors in the quality and level of integrity when implementing the supervision in regards to accounting, auditing, financial report process and financial control for the Company. The matters for review and resolution include: The company's financial statements, auditing and accounting policies and procedures, internal control systems, transaction of major asset or derivative commodities, fund loan or endorsement guarantee, raising or issuing securities, and appointment, dismissal or remuneration of CPAs, as well as finance and accounting or the appointment and dismissal of internal audit officers.

2023 Task Highlights:

(1) Review the financial report

The Company's Board of Directors has prepared the Company's 2022 Business Report, financial statements, and proposal for earnings distributions. The financial statements have been audited by CPA Wu, Han-Chi Wu and CPA Lin, Po-Chuan with PwC Taiwan, and the audit report has been duly issued. The Audit Committee has reviewed the Business Report, the financial statements and the proposal for earnings distributions mentioned above and found non-conformity.

(2) Evaluate the effectiveness of internal control system

The Audit Committee evaluates the effectiveness of the Company's internal control policies and procedures (including financials, operations, risk management, information security, outsourcing, and compliance). It reviews the regular reports (including those on risk management and compliance) by the Company's audit department, CPAs, and management. The online evaluation for the design and implementation of the Company's internal control system should be effective.

(3) Independence and suitability of CPAs

In accordance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and in order to ensure the independence of the CPA firm, the Audit Committee has designed an independence assessment form by referring to Article 47 of the Certified Public Accountant Act and Article 10 of the Norm of Professional Ethics for Certified Public Accountants regarding integrity, objectivity and independence. The purpose is to evaluate the independence, professionalism and suitability of CPAs and examine whether CPAs are related parties or have business or financial interest with the Company.

The 11th meeting of the second Audit Committee on March 15, 2023, reviewed and approved that both CPA Wu, Han-Chi Wu and CPA Lin, Po-Chuan with PwC Taiwan meet the independence standard and are qualified to serve as the Company's attestation auditors.

The 13th meeting of the second Audit Committee on August 11, 2023, reviewed and approved CPA Feng, Min-Juan with PwC Taiwan meet the independence standard and are qualified to serve as the Company's attestation auditors.

The Audit Committee held a total of 4 (A) meetings in 2023. The attendance of the independent directors was as follows:

Title	Full name	No. of attendances (B)	By Proxy	Attendance rate (%) (B/A) (Note 1, Note 2)	Remark
Independent Director (Convener of the Audit Committee)	Chou, Po-Chiao	4	0	100%	
Independent Director (Member of the Audit Committee)	Chen, Tsung-Ming	4	0	100%	
Independent Director (Member of the Audit Committee)	Lai, Ling-Ming	2	0	100%	Resigned on May 31, 2024, so actual attendance of 2 times

Other mentionable items:

I. In case of any of the following circumstances with the Audit Committee's functioning, it is necessary to describe the date, session, discussions of the Audit Committee meeting, opposition or reservation from independent directors, or contents of important suggestions, decisions by the Audit Committee and the Company's handling of the Audit Committee's opinions.

(I) Issues listed in Article 14-5 of the Securities Exchange Act:

Board Resolution Date	Contents of motion and the follow-up measures	Article 14-5 of the Securities and Exchange Act The matters listed in	Matters not approved by the Audit Committee, but approved by two-thirds or more of all directors:
2023 First 2023.03.15	1. In order to cooperate with the accountant rotation policy of PwC Taiwan, it is proposed to change the CPAs who issue financial reports to the Company.	V	None
	2. Passed the evaluation for the independence and professional qualifications of CPAs according to Article 29 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."	V	
	3. Passed the Company's 2022 finalized account and business report proposal.	V	
4. Passed the Company's 2022 earning distribution proposal.	V		
5. Passed the proposal to amend the Company's relevant operating procedures according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies."	V		
6. Passed the proposal for the Company's 2022 internal control system and issued an internal control system statement according to the self-assessment results.	V		
The resolution result by the Audit Committee: Passed by all Audit Committee members present on 2023.03.15			
The Company's handling process based on the opinions of the Audit Committee was passed by all the directors present.			
2023 Second 2023.05.10	1. Passed the Company's consolidated financial statements for Q1 of 2023.	V	None
	2. Passed the proposal to formulate the Company's "Non-Certified Services Pre-Authorization Policy."	V	
	3. Passed the proposal to increase the capital of KAPOK COMPUTER (SAMOA) CORPORATION by US\$4 million.	V	
The resolution result by the Audit Committee: Passed by all Audit Committee members present on 2023.05.10			
The Company's handling process based on the opinions of the Audit Committee was passed by all the directors present.			

2023 Third 2023.08.11	1. Passed the proposal to amend CPA independence and qualification for certification and evaluation of the Company's financial statements according to PwC Taiwan's CPA rotation policy.	V	None
	2. Passed the Company's consolidated financial statements for the second quarter of 2023	V	
	3. Passed the capital increase of NT\$3.75 billion in Taipei Twin Towers Limited	V	
The resolution result by the Audit Committee: Passed by all Audit Committee members present on 2023.08.11			
The Company's handling process based on the opinions of the Audit Committee was passed by all the directors present.			
2023 Fourth 2022.11.10	1. Passed the Company's consolidated financial statements for Q3 of 2023.	V	None
	2. Passed the proposal to amend the Company's "Operational Regulations Governing Financials and Businesses Among Affiliates."	V	
	3. Passed the proposal to amend the Company's "Operating Procedures for Handling Major Internal Information and Prevention of Insider Trading."	V	
	4. Passed the Company's 2024 audit proposal.	V	
The resolution result by the Audit Committee: Passed by all Audit Committee members present on 2023.11.10			
The Company's handling process based on the opinions of the Audit Committee was passed by all the directors present.			

Please refer to page 29 for all proposals of the Audit Committee in 2023.

(II) Except for the aforesaid circumstances, any resolution that was not approved by the Audit Committee but approved by two-thirds or more of all directors: None

II. If there is any independent director's avoidance of motion in conflict of interest, such director's name, contents of motion, causes for avoidance and voting should be specified: None.

III. Communications between the independent directors, the chief internal auditor and CPAs (including communications of the significant items for the Company's finance and operation, and its methods and results etc.):

(I) Communications between the independent directors and chief internal auditor:

To intensify the practical communication between the independent directors and the internal audit officer, the Company conducts comprehensive communication on the main internal auditing opinions through the Audit Committee or other meetings at least twice a year.

(II) Communication between independent directors and CPAs:

CPAs report to the independent directors on the Audit Committee at least twice a year regarding the Company's financials, the financials and overall functioning of domestic and overseas subsidiaries, and the inspection on internal control. Full communication is carried out on whether there are major adjustments to accounting entries and whether regulatory amendments affect accounts.

(III) Please refer to page 30 for the communication among independent directors, internal auditors, and CPAs in 2023.

Note 1: In case of the departure of any independent director before the year-end, it is necessary to provide the departure date in the "Remark" column. The attendance rate (%) is calculated with the number of Audit Committee meetings and the number of attendances during the tenure.

Note 2: In case of the departure of any independent director before the year-end, it is necessary to provide the departure date in the "Remark" column. The attendance rate (%) is calculated with the number of Audit Committee meetings and the number of attendances during the tenure. The attendance rate (%) is calculated with the number of Audit Committee meetings and the number of attendances during the tenure.

2. Supervisors' participation in the operation of the Board of Directors: The Company has established the Audit Committee in 2018, so this is not applicable.

2023 Audit Committee Meeting Minutes Summary:

Second on 2023

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Independent Director			Attend
					Chou, Po-Chiao	Chen, Tsung-Ming	Lai, Ling-Ming	
1	11	2023.03.07	2023.03.15	<ol style="list-style-type: none"> 1. Proposal for the PwC Taiwan Audit Quality Indicator (AQI) Report. 2. Implementation of the matters decided by the 10th meeting of the 2nd Audit Committee. 3. Report on internal audit of business. 4. In order to cooperate with the accountant rotation policy of PwC Taiwan, it is proposed to change the CPAs who issue financial reports to the Company. 5. The proposal for C.P.A. independence and professional qualification evaluation was passed according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." 6. Passed the Company's 2022 finalized account and business report proposal. 7. Passed the Company's 2022 earning distribution proposal. 8. Passed the proposal to amend the Company's relevant operating procedures according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies." 9. Passed the proposal for the Company's 2022 internal control system and issued an internal control system statement according to the self-assessment results. 	V	V	V	<p>Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Wu, Han-Qi Lin, Po-Chuan</p>
2	12	2023.05.02	2023.05.10	<ol style="list-style-type: none"> 1. Implementation of the matters decided by the 11th meeting of the 2nd Audit Committee. 2. Report on internal audit of business. 3. Passed the Company's consolidated financial statements for Q1 of 2023. 4. Passed the proposal to formulate the Company's "Non-Certified Services Pre-Authorization Policy." 5. Passed the proposal to increase the capital of KAPOK COMPUTER (SAMOA) CORPORATION by US\$4 million. 	V	V	V	<p>Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Wu, Han-Qi Lin, Po-Chuan</p>

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Independent Director		Attend
					Chou, Po-Chiao	Chen, Tsung-Ming	
3	13	2023.08.02	2023.08.11	<ol style="list-style-type: none"> 1. Implementation of the matters decided by the 12th meeting of the 2nd Audit Committee. 2. Report on internal audit of business. 3. Passed the proposal to amend CPA independence and qualification for certification and evaluation of the Company's financial statements according to PwC Taiwan's CPA rotation policy. 4. Passed the Company's consolidated financial statements for the second quarter of 2023 5. Passed the capital increase of NT\$3.75 billion in Taipei Twin Towers Limited. 	V	V	<p>Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Feng, Min-Juan Lin, Po-Chuan</p>
4	14	2023.11.02	2023.11.10	<ol style="list-style-type: none"> 1. Implementation of the matters decided by the 13th meeting of the 2nd Audit Committee. 2. Report on internal audit of business. 3. Passed the Company's consolidated financial statements for Q3 of 2023. 4. Passed the proposal to amend the Company's "Operational Regulations Governing Financials and Businesses Among Affiliates." 5. Passed the proposal to amend the Company's "Operating Procedures for Handling Major Internal Information and Prevention of Insider Trading." 6. Passed the Company's 2024 audit proposal. 	V	V	<p>Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Feng, Min-Juan Lin, Po-Chuan</p>

Summary of meetings among independent directors, internal auditors, and CPAs in 2023

Date	Subject	Communication matters	Independent directors in attendance	Communication personnel	Communicate results
2023/3/15 The Audit Committee	1. The internal auditors described the implementation from November 2022 to February 2023 according to the audit plan. They followed up with the results of suggested improvements until the end of the first quarter. 2. Directors, supervisors and internal auditors shared thoughts and reviewed the reported matters.	1. It is necessary to enhance the oversight of the operational effectiveness and target achievements at the Company's business units and to continue the advocacy of corporate governance. 2. At the next meeting, the internal auditor will report about the implementation of audits at the Company's investees property business and Quality Trust Property Management in China.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming Independent Director Lai, Ling-Ming	Auditor Liu, Yi-Mei	All the attending independent directors reviewed, agreed and reported to the board.
	1. The Company's finalized account and business report for 2022.	1. CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming Independent Director Lai, Ling-Ming	CPA Wu, Han-Qi CPA Lin, Po-Chuan	All the attending independent directors reviewed, agreed and reported to the board.
2023/5/10 The Audit Committee	1. The Company's consolidated financial statements proposal for the first quarter of 2023.	1. CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming Independent Director Lai, Ling-Ming	CPA Wu, Han-Qi	All the attending independent directors reviewed, agreed and reported to the board.
2023/8/11 The Audit Committee	1. Reported by the internal auditors until July. The results will be improved according to the annual audit plan implementation, the investigation, and suggestions for improvement. The originally scheduled in-person reporting on "Inspection on Investment in China – property development and Quality Trust Property Management in 2023". Report in written documents and further discuss in future symposiums through communication." 2. Directors and internal auditors exchanged thoughts on the above reported items.	1. Management units were urged to enhance implementation of internal control and internal audits of investees. 2. The Company actively pursued the Taiwan Intellectual Property Management System (TIPS) certification in 2023. The internal audit process has been completed, and the Company has submitted its application by the end of August.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming	Auditor Liu, Yi-Mei	All the attending independent directors reviewed, agreed and reported to the board.
	1. The Company's consolidated financial statements proposal for the second quarter of 2023.	1. CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming	CPA Feng, Min-Juan CPA Lin, Po-Chuan	All the attending independent directors reviewed, agreed and reported to the board.
2023/11/10 The Audit Committee	1. Internal auditors presented the implementation of the audit plan and follow-ups of improvement measures until the end of the second quarter. 2. Submit the 2024 annual audit plan and the internal control revision instructions for the production and property, plant, and equipment cycles. 3. Directors and internal auditors exchanged thoughts on the above reported items.	1. The audit unit submitted the 2024 audit plan for the Company. The audit items were determined based on the risk assessments and considerations conducted according to internal audit standards required by official letters from the competent authority. In addition to the annual audit highlights as regulated, the plan is to enhance the advocacy of compliance with newly promulgated laws, the oversight and management of investees, and the inspection of the operating efficacy and efficiency. 2. 2024 audit plan to be submitted to the Board of Directors for approval and reporting scheduled for the end of December.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming	Auditor Liu, Yi-Mei	All the attending independent directors reviewed, agreed and reported to the board.
	1. The Company's consolidated financial statements proposal for the third quarter of 2023.	1. CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors.	Independent Director Chou, Po-Chiao Independent Director Chen, Tsung-Ming	CPA Feng, Min-Juan CPA Lin, Po-Chuan	All the attending independent directors reviewed, agreed and reported to the board.

(III) Corporate Governance Implementation Status and the difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons:

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
I. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	V		The board of the Company has discussed and approved the “Corporate Governance Best Practice Principles” of the Company on March 27, 2015 in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.” To keep up with the international trend in corporate governance and to respond the development of topical social and global issues during recent years, these principles were amended four times in 2015-2023 by the board of directors and disclosed via the Market Observation Post System and the Company’s website.	The Company has currently executed according to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” without any difference.
II. The Company’s shareholding structure & shareholders’ rights/benefits				The Company has currently executed according to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” without any difference.
(I) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(I) The Company has designated a professional agency to handle the stock affairs and has established the spokesperson, deputy spokesperson and dedicated persons to take charge of the shareholders' suggestions or disputes etc.	
(II) Does the Company possess the list of its major shareholders who control the Company in reality as well as the ultimate owners of those shares?	V		(II) Most of the Company’s major shareholders are the management team and the shareholders with long-term shareholding. The stock office will obtain the list of the shareholders from the Taiwan Depository & Clearing Corporation through the stock agency designated by the Company within next two days from book closure date for the shareholders' meeting and dividend distribution upon the regulations, then will summarize the shareholding information of the major shareholders immediately and report to the senior management team. The Company can grasp the list of the major shareholders at any time to assure the stability of the management rights.	
(III) Does the Company establish and execute the risk control/management and firewall system with its affiliates?	V		(III) Each affiliate operates independently and establishes various rules according to the management regulations of the competent authority. The transactions with affiliates shall be conducted according to the relevant rules.	
(IV) Does the company establish internal rules against the Company's insiders trading of the securities with undisclosed information in the market?	V		(IV) To empower the Company’s directors and managers to comply with the ethical standards and allow the Company’s stakeholders to better understand the Company’s ethical standards, the Company has established the "Codes of Ethical Conduct" and "Ethical Corporate Management Best Practice Principles" to follow up. The Company has established the "Procedures for Handling Material Inside Information and Preventing Insider Trading" to prevent the occurrence of insider trading.	
III. Composition and Responsibilities of the Board of Director				The Company has currently executed according to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” without any
(I) Does the Board of Directors formulate a board diversity policy, management target and implement accordingly?	V		(I) In accordance with Article 20 of “Corporate Governance Best Practice Principles,” the Company has stipulated a diverse policy in regards to the composition of the Board of Directors as follows: The diverse composition of the Board of Directors should be considered and appropriate and diversified policies with regard to its business	

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
(II) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee pursuant to the laws?	V		<p>operations, operational type and development requirement shall be stipulated, which should include but not limited to the standards of the following two major aspects:</p> <p>I. Basic criteria and value: gender, age, nationality and culture. II. Professional knowhow and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and experience in the industry, etc. In general, the members of the Board of Directors should possess the knowledge, skills, and qualities required for the implementation of their job duties. The Board of Directors should have the following capabilities in order to achieve the goal of corporate governance: (I) Capability for judging the business. (II) Capability for analyzing accounting and finance. (III) Capability for business management. (IV) Capability for dealing with risks. (V) Industrial knowledge. (VI) International market viewpoint. (VII) Capability of leadership. (VIII) Capability of decision-making. Please refer to pages 13~15 of the annual report for implementing board diversity.</p> <p>(II) The Company has established the Remuneration Committee and the Audit Committee according to laws. To enhance the performance of corporate governance and the image of company operations, the Board of Directors also approved the Corporate Governance Committee Charter on November 12, 2020, and established the Corporate Governance Committee accordingly. Directors Mr. Tsai, Ming-Hsien and Mr. Chien, Yih-Long and independent directors Mr. Chou, Po-Chiao, Mr. Chen, Tsung-Ming, and Ms. Lai, Ling-Ming (resigned on May 31, 2023, the vacancy is planned to be filled after the re-election of directors at the shareholders' meeting on May 31, 2024) serve as the committee members. The Corporate Governance Committee submitted its 2024 implementation plan for the board's approval on November 10, 2023. Please refer to page 38 (Note 1) of the annual report for the Corporate Governance Committee's implementation status.</p> <p>To strengthen the information security organization structure, the Company established the Information Security Management Committee in December 2020 and established the Information Security Division as an independent unit in January 2023. The Information Security Management Committee has the Information Security Division and the Information Division under its jurisdiction, which coordinates information security-related policy formulation, implementation, risk management, and compliance inspections. The top executive of the Information Security Division shall report the information security management performance issues and directions to the Audit Committee and the Board of Directors once every six months.</p>	difference.
	V			

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
(III) Does the Company establish the "Regulations Governing the Board Performance assessment" and its methods of evaluation, and conduct the regular performance assessment annually and report the results of the performance assessment to the Board of Directors for the reference of individual directors' salary and renewal nomination?	V		(III) To fulfill corporate governance, the Company referred to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and established its Regulations Governing the Board Performance Assessment with the resolution by the Board of Directors on November 14, 2017. Annual performance assessments are conducted internally. External and independent professional organizations or experts and scholars are commissioned every three years to carry out evaluations. The assessment methods, standard and results are disclosed at the Company's website. The Board of Directors, individual directors, and functional committees conducted self-assessments in 2023 covering five major aspects. The internal result was submitted in the Board of Directors report on 2024.03.14. Please refer to the annual report page 39-40 (Note 2) for the performance evaluation results. The results of the annual board performance assessment will be reported to the Board of Directors and Remuneration Committee as a reference for individual directors' remuneration and nomination for renewal.	
(IV) Does the Company evaluate the independence of the CPAs regularly?			(IV) The Company has appointed the PWC Taiwan as the certificated accounting firm, who has its professionalism and independence for its certification. The Company also changes the CPAs regularly according to laws to strengthen its independence. The Company's board of directors conducts CPA independence and competence assessments annually. In addition to requiring CPAs to provide "Statements of Independence" and "Audit Quality Indicators (AQIs)," the board also conducts independence assessments based on the evaluation items specified in page 41 (Note 3) to ensure that there are no violations of the ethical principles outlined in the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 and Article 47 of the CPA Act. The board also confirms that the CPA has no financial interests or business relationships with the Company other than audit and tax fees and that the CPA is not a director, manager, shareholder, or employee of the Company, indicating that the CPA is not a stakeholder. The Company has examined the CPA independence assessment results to ensure the CPA's independence. In addition, the Company assesses audit quality by referring to the 13 AQIs to confirm that the CPA and the firm have audit experience that exceeds the industry average; have no external deficiencies, improvement measures, or disciplinary cases; and have a clear digital transformation strategy and goals to improve audit efficiency and ensure audit quality. On March 14, 2024, the Company's CPA reported to the Audit Committee on the audit quality indicators (AQIs) related matters. After the Audit Committee reviewed the independence and eligibility, the evaluation results were submitted to the board of directors for approval on March 14, 2024.	

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
IV. Does the TWSE/TPEX Company have qualified and suitable number of corporate governance personnel and appointed corporate governance officers to take charge of the corporate governance related affairs (including but not limited to providing the information required by the directors and supervisors to perform their duties, assisting directors and supervisors to be in compliance with laws, conducting the board and shareholders' meeting related matters according to laws, and preparing the meeting minutes for the board and the shareholders' meeting etc.)?	V		The Company has established the corporate governance taskforce so that Finance Department can take charge of corporate governance-related matters. On March 27, 2019, the Board of Directors resolved to appoint Wu, Ma, Vice President of the Financial Management Center, as Officer of Corporate Governance. She has over three years of management experience with public companies in law, finance, or shareholder services. She has selected and completed 12 hours of annual training relevant to tasks and responsibilities required by the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies. Please refer to page 42 (Note 4) for the primary responsibilities, functioning, and continuing education in 2023.	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.
V. Does the Company establish a communication channel and build a dedicated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	V		Both the Company and the stakeholders have a dedicated department to take charge of collecting the relevant information and communicate to each other. We have constructed a website at https://www.clevo.com.tw/ and established the investor relations and stakeholders section. The contents include company news and activities, corporate governance (such as practical guidelines on corporate social responsibilities), financial/shareholder service information, and company contact details. Dedicated personnel from relevant departments respond to pertinent issues. The Company's 2022 stakeholder communication results were submitted to the Board of Directors on August 11, 2023. The 2023 stakeholder communication results will be submitted in the Board of Directors report during the second half of 2024.	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.
VI. Does the Company appoint a professional stock agency to deal with shareholders' meeting affairs?	V		The Company's stock affairs have appointed a professional stock agency, Transfer Agency Department of CTBC Bank, to handle the Company's shareholders' meeting affairs.	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.
VII. Information Disclosure				
(I) Does the Company have a corporate website to disclose the financial activities and the information of corporate governance?	V		(I) We have constructed a website at https://www.clevo.com.tw/ and established the investor relations section. The contents include company news and activities, corporate governance information, the Company's management guidelines and financial/ shareholder service information.	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.
(II) Does the Company adopt other ways of information disclosure (e.g. building an English website, appointing a dedicated person to collect and disclose the Company's information, implementing the spokesperson system and putting the course of investor conferences on the Company's website etc.)?	V		(II) In addition to the spokesperson and the deputy spokesperson system, the Company has designated personnel to collect and disclose company information. Disclosure of financial and business information to the investing public is made via the Market Observation Post System, analyst meetings, the Company's website, magazines, and newspapers. Please visit our website at https://www.clevo.com.tw/ .	
(III) Does the Company announce and declare the annual	V		(III) The Company had announced and declared the annual financial report	

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation early within the prescribed period?			(within three months) and the first, second and third quarter financial reports (within 45 days) as well as the monthly operating report (before the 10th of each month) before the deadline specified in Article 36 of the Securities and Exchange Act. Due to the fact that the group has merged more than one hundred of individual business entities, its annual financial report cannot be announced and declared within two months after the end of the fiscal year. The 2023 financial statements were published and filed on March 14, 2024.	
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights/benefits, employee caring, investor relations, supplier relations, rights of stakeholders, training of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, and purchasing liabilities insurance for directors and supervisors)?	V		<p>(I) Employee Rights/Benefits: Upon the governmental laws and the Company's human resources management rules, the Company provides various labors' basic conditions, including working hours mechanism and comprehensive leaves system, and also renders a stable and safe working environment, as well as reserves the basic welfares of labor insurance, health insurance and pension fund. Besides, the employees also possess the regular health examination, group insurance and complete employee retirement measures.</p> <p>(II) Employee Care: The Company has established the Occupational Safety & Health Committee according to laws. The committee formulates the safety and health rules in order to ensure the safety and health of employees. The Occupational Safety & Health Policy has been put in place. Regular seminars and workshops are organized and medical doctors are invited to provide consultations. A diversity of channels are available for employees to express opinions and seek advice. This creates a good sense of participation and the two-day smooth communication.</p> <p>(III) Investor Relations: The Company spares no effort in the protection of shareholders' interest. We treat all shareholders equally. Material information on financials, businesses and change of insiders' holdings is immediately published according to relevant requirements via the Market Observation Post System.</p> <p>(IV) Suppliers Relations: In addition to the establishment of the "Codes of Ethical Conduct," the new suppliers of the Company shall possess good goodwill and meet the Company's ethical demand upon the requirement of the internal control system. Before trading, it is required to sign the "Supplier Honesty Commitment" to forbid other beneficial acts other than normal transactions. The Company expects to set a good example to lead more of our supply partners to jointly enhance the awareness of environmental protection and aptly fulfill the corporate social responsibilities.</p> <p>(V) Rights of Stakeholder: The Company complies with the "Corporate Governance Best-Practice Principles" to implement and set up a dedicated section on its website for stakeholders.</p> <p>(VI) Implementation of Risk Management Policies and Risk Measurement Standards: Through the audit office and internal control system, the</p>	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.

Evaluation Item	Implementation Status (Note)			The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			<p>Company has appropriately identified, assessed and reduced various business risks. In addition to controlling the day-to-day operational procedure, the audit office and management team always supervise the risk control's implementation. Besides, the Company has established the internal and external reporting system to reduce the unfavorable influences on the Company's business.</p> <p>(VII) Implementation of Customer Policies: The Company has established the appropriate customer policies and business targets, and will timely adjust the business strategies to achieve the targets.</p> <p>(VIII) Purchase of liability insurance for directors: We have purchased relevant coverage until May 15, 2024. The sum insured coverage and liability insurance premiums for directors have been reported to the Board of Directors. The new insurance policy from 2024.05.15 to 2025.05.15 will be reported to the next Board of Directors meeting.</p> <p>(IX) Board meeting attendance by directors: Board meetings were convened as scheduled. All directors were actively involved. The overall attendance of all directors (including independent directors) in 2023 was 100%. The Company has filed online the attendance of directors on a timely basis. Please refer to page 24 for the attendance status.</p> <p>(X) Trainings of the Directors and Managers: The Company's directors and independent directors have considerably understood the directors' power and functions, and they have a plentiful background of education and experiences as well as understanding of the industry to sufficiently undertake the directors' responsibilities. The Company's directors and independent directors participate in annual training classes on corporate governance, securities laws, and taxation. In addition, the Company has dedicated personnel for collating relevant legal and regulatory information; such information is summarized and submitted to the directors and the Audit Committee. Please refer to page 43 (Note 5) for the continuing education of the Company's directors and managers in 2023. The Company discloses the board meeting attendance of directors and independent directors and the ongoing education of directors via the Market Observation Post System as required at https://mops.twse.com.tw/mops/web/index.</p>	
<p>IX. For the result of the corporate governance evaluation announced by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the most recent year, please explain the circumstances of the improvement; and if the items have not yet been improved, please provide those items that shall be strengthened first and its measures.</p> <p>(I) The total score of the Company's 2023 corporate governance evaluation results: 96.71. It ranked among the top 6%~20% of listed companies for fourth consecutive years. The improvement items compared with 2022 are as follows:</p> <ol style="list-style-type: none"> 1. A shareholder meeting was held before the end of May 2023. 2. Disclose information related to the Company's governance, strategies, risk management, metrics, and targets for climate-related risks and opportunities according to the Task Force on Climate-Related Financial Disclosures (TCFD) framework. 3. The Sustainability Report referenced the SASB guidelines to disclose relevant ESG information. <p>(II) Improvements in the non-conformities identified in the 2023 corporate governance evaluation:</p>				

Evaluation Item	Implementation Status (Note)		Abstract Illustration	The difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No		
<p>1. The Company's board of directors regularly assesses CPA independence and competence by referring to Audit Quality Indicators (AQIs) and discloses the detailed assessment procedures in the annual report.</p> <p>(III) Priority improvements and measures proposed to address outstanding issues:</p> <p>1. Plan the Company's intellectual property management plan specifications. We expect to apply for the Taiwan Intellectual Property Management System (TIPS) certification in the second half of 2024.</p>				

Note: Regardless of ticking "Yes" or "No," the implementation status shall be explained in the column of the abstract illustration.

Note 1: Implementation by the Corporate Governance Committee:

I. To enhance its corporate governance and the board's effectiveness, the Company has established the Corporate Governance Committee according to Article 27-3 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. As resolved by the Board of Directors, the Corporate Governance Committee consists of five directors, than half being independent directors. One (independent) director is elected by all the members as the convener and meeting chair. According to the Corporate Governance Committee Charter, the Corporate Governance Committee has the following responsibilities:

- (1) Formulation of the Company's Corporate Governance Best-Practice Principles
- (2) Planning and regular review of continuing education for directors
- (3) Planning of corporate governance directions, annual implementation plans and the progress
- (4) Review, suggestion and follow-up of the effectiveness of the corporate governance system, annual implementation plans and the progress
- (5) Review, suggestion and follow-up of the Company's information disclosure and implementation status
- (6) Other matters according to the charters, the Company's internal regulations, resolutions by the Board of Directors or instructions from Chairman

II. Members of the Corporate Governance Committee:

Title	Full name	Resume
Independent Director Convener of the Corporate Governance Committee	Chou, Po-Chiao	The Company's independent director Former executive director and President of First Commercial Bank
Vice Chairman (Member of the Corporate Governance Committee)	Tsai, Ming-Hsien	The Company's Vice Chairman and President
Director (Member of the Corporate Governance Committee)	Chien, Yih-Long	Executive Vice President, Notebook Business Group, the Company
Independent Director (Member of the Corporate Governance Committee)	Chen, Tsung-Ming	Chairman, Betterment Co., Ltd. The Company's independent director
Independent Director (Member of the Corporate Governance Committee)	Lai, Ling-Ming (Resignation on 2024/05/31)	Chairman, Toro Biotech Co., Ltd. The Company's independent director

Note: Among the committee members, the convener and independent director Chou, Po-Chiao has expertise in audit and experience with the financial industry. Directors Tsai, Ming-Hsien, Chien, Yih-Long and Chen, Tsung-Ming have management expertise. The independent director Lai, Ling-Ming is equipped with expertise in corporate governance and management. Committee members possess the relevant professionalism to assist the strengthening of corporate governance and enhancement of the board's effectiveness.

III. In 2023 and as of the publication date of this annual report, the Corporate Governance Committee convened three meetings. The attendances and the resolutions are as follows:

Second Audit Committee

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director		Independent Director			Remark
					Tsai, Ming-Hsien	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	Lai, Ling-Ming	
1	5	2023.03.07	2023.03.15	1. Proposal to report the 2022 corporate governance implementation status. 2. Implementation of the matters decided by the 4th meeting of the 2nd Corporate Governance Committee. 3. Passed the proposal to amend the Company's relevant operating procedures according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies."	V	V	V	V	V	Wu, Ma Liu, Yi-Mei Chiu, Shu-Juan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director		Independent Director		Remark
					Tsai, Ming-Hsien	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	
2	6	2023.11.01	2023.11.10	1. Implementation of the matters decided by the 5th meeting of the 2nd Corporate Governance Committee. 2. Report on the Company's 2024 audit plan. 3. Approved the committee's 2024 implementation plan proposal.	V	V	V	V	Wu, Ma Liu, Yi-Mei Chiu, Shu-Juan
3	7	2024.03.05	2024.03.14	1. Implementation of the matters decided by the 6th meeting of the 2nd Corporate Governance Committee. 2. Proposal to report the 2023 corporate governance implementation status. 3. Passed the proposal to amend the Company's relevant operating procedures according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies."	V	V	V	V	Wu, Ma Liu, Yi-Mei Chiu, Shu-Juan

Note 2: 2023 performance assessments of the Board of Directors and functional committees

CLEVO CO.

2023 Self-assessments of the Board of Directors and Functional Committees and the Results

According to the Company's "Regulations Governing the Board Performance Assessment," the Company's Board of Directors and functional committees should conduct internal performance assessment at least once a year; an external professional and independent institution or a team of experts and scholars will be commissioned to conduct assessment at least once every three years. The assessment in 2023 is divided into internal self-assessment. The implementation status and results of the relevant evaluation are as follows:

I. Assessment scope and method:

Assessment scope: performance assessments on the board, individual directors and functional committees

Assessment method: self-assessments by the board, individual directors and functional committees.

Each performance indicator is divided into five levels: Excellent (5), Good (4), Medium (3), Poor (2), Extremely Poor (1).

II. Assessment procedures

The members of the board and functional committees under the board make self-assessments, with Self-Assessment Questionnaire on Board's Performance, Self-Assessment Questionnaire on Director's Performance, and Self-Assessment Questionnaire on Functional Committee's Performance.

III. Assessment results:

(I) Self-assessment on the operating performance of the Board of Directors:

The performance assessment of the Board of Directors covers five aspects with 45 indicators. The assessment results were Excellent (5) for 42 indicators and Good (4) for three indicators. The average attendance of directors in 2023 was 100%. All the directors have a clear understanding of the Company and the industries where the Company operates. They assessed and supervised the Company's operation and corporate governance and interacted well with management by fully utilizing their expertise. The average performance score of the Board of Directors in 2023 was 4.82 (out of the perfect score of 5). The Board of Directors generally functioned well, in line with corporate governance requirements.

Five major self-assessments	Assessment subjects	Assessment results
A. Participation level for the Company's operations	12 Items	4.67 points
B. Enhancing the decision quality for the board	12 Items	4.92 points
C. Composition and structure of the Board of Directors	7 Items	4.86 points
D. Directors' election and continuous education	7 Items	4.86 points
E. Internal control	7 Items	4.86 points

(II) Self-assessment by individual directors:

The assessment of board members covers six aspects and 23 indicators. Six directors in service filled in the self-assessment questionnaires, and all six were recovered. The overall score averaged 4.80 points between Excellent (5 points) and Good (4 points). It shows that all directors positively comment on the execution performance for various indicators. To further strengthen the functions of the Board of Directors, the directors provided the opinions and suggestions as follows:

Independent Director Lai, Ling-Ming:

1. Advised and assisted in arranging legal general knowledge courses on directors' responsibilities.
2. Advance preparation on ESG-related issues such as carbon emissions and carbon rights trading.
3. Advance preparation for risk management issues.

Six aspects for self-assessments	Assessment subjects	Assessment results
A. Mastery of company goals and tasks	3 Items	5.00 points
B. Acknowledgement of directors' duties and responsibilities	3 Items	4.83 points
C. Participation level for the Company's operations	8 Items	4.69 points

D. Management and communication of internal relations	3 Items	4.72 points
E. Professionalism and continued education of directors	3 Items	4.89 points
F. Internal control	3 Items	4.89 points

(III) Self-assessment on the operating performance of the Audit Committee:

The performance review of the Audit Committee covered five aspects and 22 indicators. The average score for performance reviews in 2023 was 5.00 points (vs. a full mark of 5.0). This indicates a robust working of the Audit Committee, in line with corporate governance requirements and effectively contributing to the board's functioning.

Five major self-assessments	Assessment subjects	Assessment results
A. Participation level for the Company's operations	4 Items	5.00 points
B. Understanding of the functional committee's responsibilities.	5 Items	5.00 points
C. Improvement of decision-making quality of functional committees.	7 Items	5.00 points
D. Composition of the functional committee and selection of members	3 Items	5.00 points
E. Internal control	3 Items	5.00 points

(IV) Self-assessment on the operating performance of the Remuneration Committee:

The performance assessment of the Remuneration Committee covers four aspects with 19 indicators. The assessment results were Excellent (5) for 18 indicators and Good (4) for one indicator. The average score in 2023 was 4.95 (out of 5.0). This indicates the healthy functioning of the Remuneration Committee, in line with corporate government requirements and beneficial to the purposes of the Board of Directors.

Five major self-assessments	Assessment subjects	Assessment results
A. Participation level for the Company's operations	4 Items	5.00 points
B. Understanding of the functional committee's responsibilities.	5 Items	4.80 points
C. Improvement of decision-making quality of functional committees.	7 Items	5.00 points
D. Composition of the functional committee and selection of members	3 Items	5.00 points

(V) Self-assessment on the operating performance of the Corporate Governance Committee:

The performance review of the Remuneration Committee covered four aspects and 18 indicators. The result consisted of 17 indicators for "Excellent" (5) and 1 indicator for "Good" (4). The average score for performance reviews in 2023 was 4.94 points (vs. a full mark of 5.0). The overall operation of the Corporate Governance Committee is sound.

Five major self-assessments	Assessment subjects	Assessment results
A. Participation level for the Company's operations	4 Items	5.00 points
B. Understanding of the functional committee's responsibilities.	5 Items	5.00 points
C. Improvement of decision-making quality of functional committees.	7 Items	5.00 points
D. Composition of the functional committee and selection of members	3 Items	4.75 points

Four. The Company's board of directors and functional committees under the board performed well in 2023. They properly assessed and supervised the Company operations and corporate governance. All directors' attendance rate was 100%, and they have fully exercised their expertise. To enhance the board of directors' performance and ensure the continuity of board policies, the Company has continued to improve the level of participation and understanding of the board in the Company's operations through communication channels between the board and management, such as regular board meetings and work reports. The Company has also strengthened the diversity of training courses for board members beyond their professional skills.

Four. The preceding internal performance evaluations of the Board of Directors, individual directors, and functional committees for 2023 were presented to the Board of Directors on March 14, 2024.

Note 3: Assessment items on the suitability and independence of CPAs

Evaluation Item	Yes	No
1. Not an employee of the Company or its related party.	V	
2. Not a director or supervisor of the Company or its affiliates (however, it is not applicable in case the person is an independent director of the Company, its parent company, or subsidiaries in which the Company holds more than 50% of the voting shares directly or indirectly).	V	
3. Not a director, supervisor, or employee of a corporate shareholder who directly holds 5% or more of the total number of outstanding shares of the Company, or who holds shares ranking in the top five holdings.	V	
4. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.	V	
5. Not having one of the circumstances stated in Article 30 of the Company Law.	V	
6. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.	V	
7. Not a person who should not serve as the Company's director, manager or a position that has significant influences on the auditing project within the latest two years.	V	
8. Not a person who should not involve in the Company's management functions for making decisions.	V	

Note 4: Implementation status of the corporate governance officer:

The Company has established a corporate governance taskforce so that Finance Department can take charge of corporate governance related matters. On March 27, 2019 the board resolved to appoint Wu, Ma, Vice President of Financial Management Center, to serve as Officer of Corporate Governance. Vice President Wu, Ma has more than three years of management experience with public companies in law, finance or shareholder services and has selected and completed training relevant to jobs and responsibilities required by listing rules for continuing education program of directors and supervisors. Her main duties and responsibilities and continued education are detailed below:

I. Main responsibilities:

1. Conduct matters in regard to the Board of Directors meeting, functional committees and shareholders' meetings in accordance with laws.
2. Responsible for the meeting minutes and meeting related affairs for the Board of Directors meeting, functional committees and shareholders' meeting.
3. Assist directors and managerial officers for matters regarding onboard and continuous training, and provide them with the required information and materials.
4. Assist directors and managerial officers to be in compliance with laws and regulations.
5. Assist in the implementation of job responsibilities of the Board of Directors or board members that are stipulated in laws or the Company's articles of incorporation.

II. Business execution status in 2023:

1. Assisted in the independent directors and general directors to perform their duties, provided the necessary information as well as arranged the trainings for the directors:
 - (1) Provide the members of the Board of Directors with the information regarding the amendment and development of laws and regulations related to corporate governance.
 - (2) Provide organized and sufficient meeting materials for meeting members, as well as provide them with suitable and timely information and administrative assistance.
 - (3) Arrange meetings for independent directors and certified accountants to help the directors understand the Company's financial status; assist in arranging meetings for directors (including independent directors) and internal audit officers, if necessary, to discuss matters regarding internal control.
2. Assist in meeting procedures for the Board of Directors meeting and shareholders' meeting as well as resolution for legal compliance:
 - (1) Report to the Board of Directors, independent directors, the Audit Committee and the Corporate Governance Committee regarding the functioning of corporate governance issues.
 - (2) Verify that the Company's shareholders' meeting and board meeting are in compliance with relevant laws, regulations, and corporate governance rules.
 - (3) Assist and remind the directors of the laws and regulations to be aware of during the business implementation or making a formal resolution in the Board of Directors meeting.
 - (4) Inspect the post-meeting release of major information on key decisions by the Board of Directors to ensure the legality and accuracy of the contents and to protect the information symmetry for investors.
3. Organize and summarize the discussion issues for the board meeting and send out the meeting notice and required materials seven days prior to the meeting. If the discussion case is required to be avoided, a notice shall be given in advance and the meeting minutes of the board meeting shall be completed within 20 days after the meeting.
4. Supervise the registration date of the shareholders' meeting in advance, the preparation of meeting notices, the meeting manual, the meeting minutes within the statutory deadline, and conduct the matters and registration regarding amendment to the articles of incorporation.

III. Continuing education status in 2023:

In adherence to the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies, Vice President Wu, Mai completed 13 hours of training in 2023 concerning job functions and met the statutory requirements for 12 hours per year. Her continuing education is as follows:

Date of Education		Host Institution	Name of Course	Hours of Training
From	To			
2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
2023/07/13	2023/07/13	Taiwan Stock Exchange and Taipei Exchange	"TWSE (TPEX) Sustainable Development Action Plan" Promotion Seminar	3
2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
2023/09/20	2023/09/20	Securities & Futures Institute	Advanced Seminar for Directors, Supervisors (Including Independent), and Corporate Governance Supervisors—Securities and Exchange Act Analysis of Common Violations	3
2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3

Note 5: The directors' and supervisors' trainings as well as managers' participation in the education and trainings of corporate governance are as follows:

Title	Full name	Date of Education		Host Institution	Name of Course	Hours of Training
		From	To			
Chairman	Hsu, Kun-Tai	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Vice Chairperson and President	Tsai, Ming-Hsien	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Director	Lu, Jin-Zong	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Director and Executive Vice President	Chien, Yih-Long	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Independent Director	Chou, Po-Chiao	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/07/04	2023/07/04	Taiwan Stock Exchange	2023 Cathay Sustainable Finance and Climate Change Summit	6
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Independent Director	Chen, Tsung-Ming	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/08/11	2023/08/11	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
Vice President, Chief of Finance/Accounting and Officer of Corporate Governance	Wu, Ma	2023/03/15	2023/03/15	HR Department of CLEVO CO.	2023 General Economic Trends in the Age of Uncertainty	1
		2023/07/13	2023/07/13	Corporate Operating and Sustainable Development Association	Discussing the Business Strategies of Taiwanese Businesses and Insider Trading Regulations Based on the Global Political and Economic Situation	3
		2023/08/11	2023/08/11	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3
		2023/09/18	2023/09/19	Accounting Research and Development Foundation	Continuing Education Program for Issuers, Securities Firms, Stock Exchange Account Managers	12
		2023/09/20	2023/09/20	Securities & Futures Institute	Advanced Seminar for Directors, Supervisors (Including Independent), and Corporate Governance Supervisors—Securities and Exchange Act Analysis of Common Violations	3
		2023/11/10	2023/11/10	Taiwan Corporate Governance Association	Digital Technology, AI Trends, and Risk Management	3

- (IV) If the Remuneration Committee or the Nomination Committee is in place, it is necessary to disclose the composition, responsibility and functioning:

1. Information for Members of Remuneration Committee:

December 31, 2023

Position (Note 1)	Criteria Full name	Professional qualifications and experiences (Note 2)	Independence (Note 3)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director (Remuneration Committee convener)	Chou, Po-Chiao	Work experience of over five years in business, law, finance or banking Work experience: Executive Director and President of First Commercial Bank; Director and Vice President of First Financial Holding Co., Ltd.(page 12)	(Note 4)	1
Independent Director (Remuneration Committee member)	Chen, Tsung-Ming	Work experience of over five years in business, law, finance or banking Work experience: Chairman of Betterment Co., Ltd.; Director of Zippy Materials Science Inc. (page 12)	(Note 4)	None
Remuneration Committee member	Wu, Pei-Ling	Work experience of over five years in business, law, finance or banking Work experience: Department of Finance, Taipei City Government; Directorate-General of Budget, Accounting, and Statistics, Executive Yuan, R.O.C. (Taiwan); Assistant Professor at Aletheia University	(Note 4)	None

Note 1: Please note whether the member is an independent director or the convener in the column "Position."

Note 2: Professional qualifications and experience: Professional qualifications and experience of each member of the Remuneration Committee.

Note 3: Compliance of independence: Please describe the compliance of independence for the Remuneration Committee members.

This includes but not limits to whether the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the Company or its affiliates; the number of shares and the percentage of shareholdings owned by the director, the director's spouse or any relative within two degrees (or under other people's names); whether the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the enterprises with specific relations with the Company (in reference to the paragraphs 5 ~ 8 of Article 6-1 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); whether any business, legal, financial or accounting services were provided to the Company and its affiliates during the most recent two years and if so, the amount of compensations obtained.

Note 4: Compliance of independence is as follows:

- (1) None of the director, the director's spouse or any relative within two degrees serves as a director, supervisor or employee of the Company or affiliated enterprises.
- (2) None of the director, the director's spouse or any relative within two degrees held the Company's shares as of April 2, 2024.
- (3) Not serving as a director, supervisor or employee of any enterprise with specific relations with the Company.
- (4) No rendering of services in business, law, finance or accounting to the Company or its affiliated enterprises during the most recent two years and hence no amount obtained as compensations.

2. Responsibilities of Remuneration Committee

- (1) It shall be based on the care of a prudent administrator to faithfully fulfill the following duties, and shall submit its suggestions to the board of director for discussion:

- ① Regularly review the "Remuneration Committee Charter" and provide the recommendation of the amendment.
- ② Establish and regularly review the annual and long-term performance goals of the Company's directors and managers, as well as the policies, systems, standards and structure of the remuneration.
- ③ Regularly evaluate the achievement status for the performance goals of the Company's directors and managers, and set up its individual contents and amounts of the remuneration.

- (2) While fulfilling the duties stated in the preceding paragraph, the following principles shall be followed:

- ① Ensure the arrangement of the Company's remuneration complies with the relevant laws and it is sufficient to attract the excellent talents.
- ② The performance assessment and remuneration of the directors and managers shall refer to the normal standards of remuneration in the same industry, and consider the person's time involved, duties taken, achievement of personal goal, expression of other positions taken, the same positions' remuneration paid by the Company in the recent years, as well as the achievement of the Company's short-term and long-term goals and financial conditions etc., to evaluate the correlative reasonableness for the personal expression, the Company's business performance and future risks.
- ③ The Committee shall not lead the directors and managers to pursue the remuneration by engaging the acts which have the risks that the Company is unable to bear.

- 4 The ratio of bonus for the short-term performance of the directors and senior managers and the time to pay for partial variable remuneration shall be determined upon the characteristics of the industry and the nature of the Company's business.
- 5 The committee members shall not be involved in the discussing and voting the determination of their personal remuneration.
- (3) The remuneration stated in the preceding two paragraphs includes cash remuneration, stock options, profit sharing and stock ownership, retirement benefits or severance pay, variance allowances and other substantive incentive measures; its scope shall be consistent with the regulations for the remunerations of the directors and managers stipulated in Regulations Governing Information to be Published in Annual Reports of Public Companies.
- (4) If the decision-making and handling of the remuneration for the directors and managers of the Company's subsidiaries are delegated to the subsidiary but required the ratification of the Company's board, the Remuneration Committee shall be asked to provide the suggestion first, and then submit to the board for discussion.

3. Operation of the Remuneration Committee

- (1) There are 3 members in the Company's Remuneration Committee.
- (2) Tenure of the current committee members: August 26, 2021, to August 25, 2024. Three meetings were convened by the Remuneration Committee (A) in 2023. Attendance by committee members is as follows:

Title	Full name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note)	Remark
Convener	Chou, Po-Chiao	3	0	100%	
Member	Chen, Tsung-Ming	3	0	100%	
Member	Lai, Ling-Ming	2	0	100%	Resigned on May 31, 2024, so actual attendance of 2 times
Member	Wu, Pei-Ling	0	0	0%	Appointed on August 31, 2023, with no required attendance in the year 2023

Other mentionable items:

- I. If the board of director declines to adopt or modifies the suggestions of the Remuneration Committee, it should specify the date of the board, session, contents of motion, resolution of the board of director, and actions taken by the Company for the Remuneration Committee's opinions (e.g. the remuneration passed by the Board of Director is better than the suggestions of the Remuneration Committee, the circumstances and causes for the difference shall be specified): No such circumstance in the year.
- II. If any resolution of the Remuneration Committee was objected by or subject to a qualified opinion from any member with record or written statement, the date of the meeting of the Remuneration Committee, session, contents of motion, all members' opinions and actions taken for the members' opinions shall be specified: No such circumstance in the year.
- III. The Board of Directors passed the Remuneration Committee Charter on December 13, 2011. On August 26, 2021, the recruitment of the members for the Company's fifth Remuneration Committee was approved.
- IV. The content of the Charter has been put on the Company's website and the Market Observation Post System for reference. The Company's website is https://www.clevo.com.tw/tw/investment/investment_internal_policies
- V. Due to the resignation member Ms. Lai, Ling-Ming on May 31, 2023, Ms. Wu, Pei-Ling was newly appointed as a member of the Compensation Committee on August 11, 2023.

Note:

- (1) If a member of the Remuneration Committee resigns before the end of year, the date of resignation shall be noted in the column of remark. The ratio of the attendance in person (%) shall be counted by the number of the meeting of the Remuneration Committee in the period of service and such member's actual number of attendance in person.
- (2) If the Remuneration Committee is re-elected before the end of year, both new and old members of the Remuneration Committee shall be filled in, and the information that such member is an old or a new member as well as the date of re-election shall be noted in the column of remark. The ratio of the attendance in person (%) shall be counted by the number of the meeting of the Remuneration Committee in the period of service and such member's actual number of attendance in person.

Summary Table of the Meetings Record for the Remuneration Committee:

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Chou, Po-Chiao	Chen, Tsung-Ming	Lai, Ling-Ming	Resolution results	The company's process on the remuneration committee	Attendance Without Voting Rights
1	5	2023.01.04	2023.01.12 (Video Conference)	1. Review of year-end bonuses to managers for 2022	V	V	V	It was passed by all the members of the Audit Committee.	It was passed by all the directors present.	Lin, Bo-Wei
2	6	2023.03.07	2023.03.15	1. Review of the amount of remunerations to directors and employees for 2022 2. Review of the Company's 2022 remuneration to directors 3. Review of the Company's 2022 remuneration to the independent director [Chou, Po-Chiao] 4. Review of the Company's 2022 remuneration to the independent director [Chen, Tsung-Ming] 5. Review of the Company's 2022 remuneration to the independent director [Lai, Ling-Ming]	V	V	V	It was passed by all the members of the Audit Committee.	It was passed by all the directors present.	Lin, Bo-Wei
3	7	2023.01.04	2023.01.12 (Video Conference)	1. Review of year-end bonuses to managers for 2022	V	V	resignation	It was passed by all the members of the Audit Committee.	It was passed by all the directors present.	Lin, Bo-Wei

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Chou, Po-Chiao	Chen, Tsung-Ming	Wu, Pei-Ling	Resolution results	The company's process on the remuneration committee	Attendance Without Voting Rights
4	8	2024.01.12.	2024.01.22 (Video Conference).	Review of year-end bonuses to managers for 2023	V	V	V	It was passed by all the members of the Audit Committee.	It was passed by all the directors present.	Lan, Bo-Yu
5	9	2024.03.06	2024.03.14	1. Review of the amount of remunerations to directors and employees for 2023 2. Review of the Company's 2023 remuneration to directors 3. Review of the Company's 2023 remuneration to the independent director [Chou, Po-Chiao] 4. Review of the Company's 2023 remuneration to the independent director [Chen, Tsung-Ming] 5. Review of the Company's 2023 remuneration to the independent director [Lai, Ling-Ming]	V	V	V	It was passed by all the members of the Audit Committee.	It was passed by all the directors present.	Lin, Bo-Wei

4. Composition, responsibility and functioning of the Nomination Committee

The Company has not yet set up a nomination committee as of the publication date of this annual report. It plans to establish a nomination committee in the future according to needs.

(V) Implementation status of promoting ESG

1. Difference in the drive for ESG from the ESG Best Practice Principles for TWSE/TPEX Listed Companies and the reason for this difference

Tasks	Implementation status (Note 1)		Abstract Illustration	Difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reason for this difference
	Yes	No		
I. Does the Company establish a governance structure for sustainable development, put in place a dedicated (part-time) unit to drive sustainable development, have the Board of Directors to authorize senior management for handling and to supervise accordingly?	V		<p>Clevo's board of directors is the highest-level governing body for sustainability management. In 2016, the board established a CSR Task Force to oversee sustainability management. On November 10, 2022, it was renamed the Sustainable Development Task Force. The general manager serves as the convener. Since its inception, the task force has prepared and published the annual sustainability report, developed sustainability strategies and policies, established systems and related management guidelines, and led teams and company departments in implementing them into Clevo's operational processes.</p> <p>The Sustainable Development Task Force is divided into 5 teams according to the field. They include corporate governance, customer care, environmental sustainability, employee care, and social welfare. The relevant company units select supervisors and colleagues with appropriate functions to form teams, hold regular meetings, coordinate the management, and negotiate and discuss future ESG implementation methods and goals with each team. The Sustainable Development Task Force reports to the board of directors at least once a year on the implementation of sustainability. It is also responsible for the preparation and publication of the sustainability report. Its organizational structure and responsibilities are shown in the following diagram:</p> <pre> graph TD Board[Board of Directors] --> Convener[Convener (President)] Convener --> PM[Project Management Director of Human Resources] PM --> CGT[Corporate Governance Team] PM --> CCT[Customer Care Team] PM --> EST[Environmental Sustainability Team] PM --> ECT[Employee Care Team] PM --> SWT[Social Welfare Team] CGT --- CGT_L["Ethical Management Organization Strategy Legal Compliance Protect Shareholders' Equity Information Transparency Internal control Risk management"] CCT --- CCT_L["Goods and Services Liability Customer Data Confidentiality Consumer Rights and Interests Protection Customer Relationship Maintenance"] EST --- EST_L["Policy and Advocacy Green Supply Chain Management Green Product R&D Innovation Promote Energy Saving and Carbon Reduction Management Climate Change Adaptation Management"] ECT --- ECT_L["Diverse Talents Labor Rights Remuneration and Benefits Labor management relations Friendly Workplace Talent Cultivation Safe Workplace"] SWT --- SWT_L["Social Care Community Participation Charitable Events Corporate Image"] </pre>	No deviation.

Tasks	Implementation status (Note 1)		Abstract Illustration	Difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reason for this difference									
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			The Sustainable Development Task Force reports to the board of directors on the sustainability implementation at least once a year. It is also responsible for the preparation and publication of the sustainability report. The Task Force's organizational structure and responsibilities are shown in the following diagram: The board of directors can review the strategy progress through the annual implementation report and compel the management team to make adjustments when necessary.										
II. Does the Company apply the materiality principle to the assessment of environmental, social and corporate governance issues regarding its operations and formulate relevant risk management policies or strategies accordingly? (Note 2)	V		<p>The Company has regularly examined the material problems yearly according to the materiality principle and referencing the generally accepted report preparation requirements. The goal is to determine the content and priority of each topic by referencing research reports, checking literature, and communicating with internal and external experts in order to conduct risk assessments, propose corresponding strategic recommendations, and formulate annual work plans. The following major management policy topics have been disclosed in the sustainability report:</p> <p>This disclosure information covers the Company's sustainable development performance on its main bases from January 2023 to December 2023. The risk assessment boundary is mainly based on the Company, the relevance to the industry's operations, and the degree of impact on major topics. The scope also includes Kapok Computer (Kunshan) Co., Ltd., a production base subsidiary.</p> <table border="1"> <thead> <tr> <th>Major issues</th> <th>Risk assessment</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>Environment and Climate</td> <td> <ul style="list-style-type: none"> • Response to Climate Change • Greenhouse Gas and Energy Management • Water resource management • Waste management </td> <td> <ul style="list-style-type: none"> • The Company uses various methods, such as the TCFD guidelines, peer reports, and international trends, to identify the year's key climate risks and opportunities. The Sustainable Development Task Force collects information on climate issues, and each unit and department evaluates the impact and probability of occurrence of these issues. Based on this evaluation, the key climate risks and opportunities are determined. • The Company has established an environmental management system and obtained ISO 14001 environmental management system certification. It regularly monitors and improves energy resource usage and follows the Plan-Do-Check-Action (PDCA) spirit to annually review the environmental considerations and hazard identification risks in each link of the operating process. 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The Company opposes any action that violates human rights and is committed to equal human rights and a safe and healthy work environment for its employees as the Company's general operating principle. • Each year, the Company has considered its current strategic goals and the training needs proposed by various departments and referenced the "Talent Training and Development Roadmap" to formulate rich and diverse courses for each rank and job function to gradually improve the personal competitiveness of students. • The Company has implemented occupational safety and health management plans, </td> </tr> </tbody> </table>	Major issues	Risk assessment	Note	Environment and Climate	<ul style="list-style-type: none"> • Response to Climate Change • Greenhouse Gas and Energy Management • Water resource management • Waste management 	<ul style="list-style-type: none"> • The Company uses various methods, such as the TCFD guidelines, peer reports, and international trends, to identify the year's key climate risks and opportunities. 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			<p>built a safety and health culture, established a healthy workplace environment, set corresponding target indicators, and involved all employees in implementation to achieve the goals.</p> <p>Governance / Economy</p> <ul style="list-style-type: none"> • Corporate governance • Legal Compliance • Ethical Management and Anti-corruption • Economic performance • Information Security, Customer Privacy, and Risk Management <p>Products and Services</p> <ul style="list-style-type: none"> • Responsible Production • Innovative R&D • Customer relationship management • Supply Chain Management 	<p>built a safety and health culture, established a healthy workplace environment, set corresponding target indicators, and involved all employees in implementation to achieve the goals.</p> <ul style="list-style-type: none"> • Clevo adheres to the fundamental corporate governance principles, adopts governance practices of the highest standard, and chooses board members by professional background while observing gender equality guidelines. Steps are taken to ensure the effective functioning of the board and protection of all stakeholders' interests. • The Company executes business operations at the highest ethical standard. We have established a code of integrity management and a code of ethical conduct and required all recruits to sign relevant documents to ensure that all commercial activities comply with laws. We adopt a zero-tolerance policy for any misconduct that violates business ethics. With the regular reminders and internal propaganda by the auditing unit, we are committed to reinforcing our employees' concept of ethical management and legal compliance, to prevent misconduct. • The Company values sustainable operations and stable profitability to address the economic value issues concerning investors, shareholders, and other stakeholders. We are committed to green product development and employee training and collaborate with suppliers and customers to achieve mutual growth. The Company has set operational goals for the next 3 years. It will adjust them annually based on global economic growth conditions to facilitate the planning of future strategies and implementation plans and move towards the goal of stable growth. • Follow the ISO 27001 infrastructure specification, check cybersecurity policies' applicability and security measures using the standard's management cycle mechanism of Plan-Do-Check-Act (PDCA), and report the implementation results to the Cybersecurity Committee twice a year. • The Company strives to minimize the impact of its products and activities on the external environment and society. Failure to take responsibility for production issues can directly damage the Company's reputation and lead to missed business opportunities. It can also increase supply chain risks and violate local environmental and social regulations. The Company's products have extended the life cycle of products as a product design principle, and they are committed to reducing the environmental impact of production. Low-carbon recycling strategies will be used effectively in all production processes and equipment to strive for energy conservation and carbon reduction. Environmentally friendly plastics and components have also been introduced to reduce the materials' environmental impact. • The Company has adhered to the 3 core concepts of "innovation," "flexibility," and "environmental friendliness." Continue to find a market niche, design differentiated and highly competitive products, and insist on the commitment to ban hazardous substances in the product design and development stage. We have established the CLEVO Hazardous Substances Free (HSF) technical standards to prevent harmful substances from being mixed with environmentally friendly products to comply with

Tasks	Implementation status (Note 1)			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reason for this difference
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			<p>international environmental regulations such as RoHS Directive, PACKAGING Directive, Battery Directive, REACH, PFOS Directive, or PAHs. The goal is to fulfill the "environmentally friendly" concept, and we will also make adjustments according to the client's requirements to avoid using specific hazardous substances.</p> <ul style="list-style-type: none"> The Company has formulated well-defined "customer service management," "non-conforming product control," and grievance handling procedures to ensure standardized customer services. The Company has developed supplier management specifications and screening criteria to thoroughly examine suppliers' capabilities, such as delivery quality and delivery schedule, to reduce Clevo's operational risks and increase market competitiveness. Suppliers are prohibited from using hazardous substances or substances that are internationally banned. The Company will also continue to pay close attention to the requirements and regulations of such hazardous substances to fulfill its social responsibility to the Earth. 	
<p>III. Environmental issues</p> <p>(I) Does the Company establish the suitable environmental management systems upon its industrial characteristics?</p> <p>(II) Does the Company seek to enhance the efficiency of energy utilization and the use of recycled materials with a low environmental burden?</p>	V	V	<p>(I) The Company's Taipei headquarters is an office and R&D building, while the Kunshan factory produces and manufactures notebook computers. Therefore, Kunshan's potential impact on the environment is more significant than that of headquarters. The Kunshan factory has established an ISO 14001 environmental management system to reduce the impact of its operations on the external environment. The Kunshan factory adheres to the Plan-Do-Check-Action (PDCA) philosophy and annually reviews each process operation's environmental considerations and hazards. The goal is to identify risks and conduct external re-examinations and audits every three years to keep the certificate valid. The most recent version of ISO 14001:2015 environmental management system verification was passed on April 6, 2023, and is effective until April 7, 2026.</p> <p>(II) The Company strives to minimize the impact of its products and activities on the external environment and society. Failure to take responsibility for production issues can directly damage the Company's reputation and lead to missed business opportunities. It can also increase supply chain risks and violate local environmental and social regulations. We require suppliers to avoid all harmful and internationally banned or restricted substances to ensure that the products meet international environmental protection standards. The Company also strictly follows the EU's relevant environmental protection directives, including the Waste Electrical and Electronic Equipment Directive (WEEE) and the Restriction of Hazardous Substances Directive (RoHS), to ensure compliance with relevant standards. Suppliers and partner manufacturers must sign a "Hazardous Substances Guarantee Statement" and an "Environmental Declaration" and submit a chemical substance analysis report provided by a partner manufacturer's verification unit or a qualified laboratory to ensure the development and production of green electronic products and reduce the impact of using hazardous/restricted substances on the external environment and human health.</p>	No deviation.

Tasks	Implementation status (Note 1)			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reason for this difference
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(III) Does the Company assess the potential risk and opportunity posed by climate changes to the enterprise, now and in the future, and take responsive measures related to climate issues.	V		(III) The Company Sustainable Development Task Force is the Clevo climate change and sustainable development unit, with the general manager as the convener. The Company has collaborated with departments on climate response strategies, goal setting, and management plans through interviews, peer benchmark reports, and CDP questionnaire collection to identify key climate risks and opportunities related to operations. We also hold regular meetings to summarize the current status of the Company's departments in responding to climate risks and opportunities and the corresponding measures. After review by the general manager, the results are submitted to the board of directors. Following the TCFD guidelines, peer reports, and international trends, the Company identifies its specific climate issues. Each unit and department evaluates the impact and probability of occurrence of climate issues and determines the key climate risks, such as increased pricing for greenhouse gas emissions, regulation of existing products and services, increased severity and frequency of extreme climate events, etc. The Company has also identified feasible opportunities and developed corresponding measures to mitigate these risk factors, such as adopting low-carbon energy projects, implementing energy-saving measures, developing/increasing low-carbon products, etc. The Company aims to reduce its environmental impact and implement environmental pollution prevention by regularly monitoring and improving energy resource usage. For the Company's climate-related performance in 2023, please refer to pages 56 ~ 57 of the annual report for a detailed description of the climate change risk and opportunity analysis. This information is disclosed in the Company's sustainability report and on the Company's website: https://www.clevo.com.tw/tw/esg/ESG_main .	
(IV) Does the Company measure the annual greenhouse gas emissions, water consumption and gross weight of waste for the past two years, and stipulate policies for energy conservation and carbon reduction, greenhouse gas reduction, reduction of water consumption or management of other waste?	V		(IV) The Company tracks greenhouse gas emissions data annually. The Taipei headquarters and the Kunshan factory completed carbon footprint inventories in 2022 and set carbon reduction targets based on these benchmarks. The Kunshan factory has set carbon reduction targets of "1% reduction in Scope 1 and Scope 2 carbon emissions each year compared to the previous year" and "1% reduction in energy consumption each year compared to the previous year." The Company will first promote energy-saving measures in its production bases and operational headquarters, which will be expanded to subsidiaries of the Group's Buynow business group. The Company will also adjust and strengthen its greenhouse gas emission reduction targets as appropriate and is committed to achieving its net-zero emission vision. The implementation of energy saving, carbon reduction, and greenhouse gas reduction, as well as thorough descriptions of previous greenhouse gas emissions, water consumption, and the total weight of waste, are disclosed in the Company's sustainability report and company website at: https://www.clevo.com.tw/tw/esg/ESG_main .	
IV. Social issues (I) Does the Company establish the relevant management policies and procedures according to relevant regulations and International Bill of Human Rights?	V		(I) The Company is in compliance with internationally recognized human rights standards such as the "Universal Declaration of Human Rights," "The United Nations Global Compact" and "International Labor Organization." The Company has stipulated and implemented its human rights policies and the implementation principles include providing a safe and healthy working environment, eliminating illegalness and discrimination to ensure equal work opportunities, prohibiting forced labor, prohibiting child labor, assisting employees to maintain physical and mental health as well as work-life balance, reviewing and evaluating related systems and practices on a regular basis.	No deviation.

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(II) Does the Company stipulate and implement reasonable employee benefit policy (including remuneration, vacation and other benefits, etc.), and adequately reflects the operating performance or results to the remuneration to employees ?	V		<p>(II) The Company proposes the standard and concept for talent recruitment and appointment based on the requirements of government regulations and policies, which is "kindred spirits, suitable talents at suitable workplaces." The recruitment of new employees is not based on the factors such as gender or religion, and we aim to provide a fair and open way for employee recruitment. The Company has been actively planning various welfare programs for employees over the past many years, to create a fun life other than work, improve quality of life, enable employees to achieve a work-life balance, and facilitate the interaction between employees amongst various departments to make the culture of the working environment better and comprehensive. We also enhance good teamwork spirit and employee loyalty, to improve the work efficiency of our employees. Please refer to page 103~104 of the annual report for our welfare measures and subsidies. The employee's assessment and promotion methods are based on the Company's performance assessment, and all employees will cooperate with the Company's performance assessment schedule and conduct regular performance assessment. According to the practical operating status in the year, the evaluation items in the annual KPI and work plan form will be flexibly adjusted. The assessment result will be taken into consideration for the employee's future promotion and salary adjustment. To emphasize two-way communication, we encourage managers and colleagues to discuss face-to-face and formulate tangible action plans for the performance results and task priorities of employees. This is to enhance the competitiveness of each colleague.</p> <p>The average salary adjustment for employees in 2023 is as follows:</p> <table border="1"> <thead> <tr> <th>Salary adjustment</th> <th>Remark</th> <th>Salary adjustment for non-managerial employees</th> <th>Remark</th> <th>Salary adjustment of managerial employees</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>0%~5.0%</td> <td>None</td> <td>0%~6.0%</td> <td>The salary adjustment is based on employees' job responsibility and performance, and the promoted employees will be given a salary adjustment for promotion.</td> <td>0%</td> <td>The salary adjustment will be given based on the performance of managerial officers , and their bonuses are based on the Company's overall business operations and individual performance .</td> </tr> </tbody> </table>	Salary adjustment	Remark	Salary adjustment for non-managerial employees	Remark	Salary adjustment of managerial employees	Remark	0%~5.0%	None	0%~6.0%	The salary adjustment is based on employees' job responsibility and performance, and the promoted employees will be given a salary adjustment for promotion.	0%	The salary adjustment will be given based on the performance of managerial officers , and their bonuses are based on the Company's overall business operations and individual performance .	
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(III) Does the Company provide the employees a safe and healthy working environment,	V		(III) 1. Arrange the health promotion activities to increase the colleagues' healthiness and prevent the diseases.													

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and arrange the regular training relating to safety and health?			<p>2. Arrange the courses of the health lectures regularly to enhance the colleagues' healthy awareness and healthy behaviors.</p> <p>3. Implement anti-COVID measures and install equipment to combat the virus, to protect the health and work quality of all employees.</p> <p>4. Arrange the safety and health training for new and existing laborers to teach the colleagues to prevent occupational diseases and have the awareness of safety.</p> <p>5. Arrange the training for firefighting and first aid regularly to enhance the general sense of the fire-fighting and the ability to deal with emergencies.</p> <p>6. Enhance the quality of the working environment for employees, carry out 5S training, and arrange the factory's self-assessment and auditing activities for 5S.</p> <p>7. Arrange the propagation to inform the injury and promote the safety for the contractor, maintain the quality of construction and enhance the safety of the operational places for colleagues.</p> <p>8. Kunshan factory had obtained the new version of certification ISO 14001: 2018 environmental management system on April 6, 2023 and the certification is valid until April 5, 2026.</p> <p>Note: In 2023, the Company has no major occupational accidents.</p>	
(IV) Does the Company establish the effective training programs of the career capability development for its employees?	V		(IV) The Company values the importance of education and training for employees and designs training related to job duties at various levels based on the "Systematic Diagram for Education and Training Development." The training is expected to gradually enhance the personal competitiveness of trainees. Every year, the human resources department will make a course plan based on the Company's strategic objectives for the year and the training demands proposed by each of the departments.	
(V) Does the Company comply with relevant laws and international standards and establish policies and complaint procedures to protect the rights of consumers or customers when it comes to customers' health and safety, privacy, marketing and labeling of products and services?	V		(V) For the marketing and labeling of the products and services, the Company complies with the relevant regulations and international standards. A dedicated after-sales service department is also established to provide customer services. There are standard procedures in product repair and maintenance in order to strengthen customer relations and satisfy the customers' needs. The Company comprehensively implements and complies with the regulations for the protection of the consumers' rights/interests, and satisfaction of the customers is one of the Company's important strategies.	
(VI) Has the Company formulated a suppliers management policy and asked suppliers to abide by relevant regulations in environmental protection, occupational safety & health and labor rights and provide details of implementation?	V		(VI) The Company has stipulated the "GP operation management procedures" for suppliers, which standardizes the procurement procedures for raw materials and parts. We also request our suppliers and outsourced vendors to sign "hazardous substance guarantee form" and "environment protection declaration," and attach the chemical substance analysis report by a qualified laboratory or third-party notary agency, to ensure that their provided parts and components meet the Company's current environmental requirements. In addition, we also conduct green factory assessment for our suppliers/outsourced vendors to verify whether the suppliers have obtained (or expected to obtain) the ISO14001 environmental management system certification and understand their implementation and management status.	

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V. Does the Company prepare sustainability reports to disclose non-financial information by referring to international reporting standards or guidelines? Did the preceding report obtain the verification or assurance opinion from a third-party notary agency?	V		The Company complies with the internationally accepted report preparation guidelines (GRI Standards). It also refers to the Task Force on Climate-related Financial Disclosures (TCFD) and the Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TPEX Listed Companies when preparing its sustainability report. In 2023, the Company commissioned PwC Taiwan to perform limited assurance work on its information according to Taiwan Standards on Assurance Engagements No. 3000, "Assurances that are not Audits or Reviews of Historical Financial Information." The assurance report is published on the Company's website at https://www.clevo.com.tw/tw/esg/ ESG_main .	No deviation.																							
<p>VI. If the Company has established its own guidelines on sustainable development in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the functioning and the difference of these guidelines.</p> <p>The Company has established the Corporate Social Responsibilities Best Practice Principles, passed by the Board of Directors on March 27, 2015 and amended by the Board of Directors on March 31, 2020. All the department heads and colleagues are actively complying with these principles to drive corporate governance, develop the sustainable environment and safeguard the society's public welfare. There is no deviation from its principles established.</p>																											
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2023	Jia-yi Charitable Group in Chiayi City	\$20,000
	Social Welfare and Public Welfare Trust, Clevo Co.	\$2,000,000
	Love Bulk Purchase - EDEN Social Welfare Foundation. Down Syndrome Foundation. Taiwan Foundation for the Blind	\$22,644
	Love Donation - Silver Grass Cultural and Creative Association	\$100,000
	Support fresh milk from local small farmers	\$490,000
Total	\$7,045,454	

2. Upon the spirit of putting itself in other's position, the Company cooperated with the Land Bank of Taiwan to sign a Public Welfare Trust Account of NT\$ 10 million on December 12, 2018. Starting in 2019, the amount of approx NT\$ 2 million will be dedicated to various public welfare activities every year.

3. Social Co-Prosperity

- (1) Love Earth By Using Eco-Friendly Cutlery: Since December 2017, every employee has received environmentally-friendly cutlery sets and 333 sports mugs. All new hires in 2023 received the environmentally-friendly cutlery when they came on board.
- (2) Support for local small farmers: Starting in November 2019, we have been using fresh milk from a single farm and small farmers without artificial blending and based on fair trade for our coffee machines. The average monthly cost was about 41,000 dollars in 2023. We hope to support and help the development of local farmers in Taiwan long term.
- (3) In 2023, the Social Welfare and Public Welfare Trust of Clevo Co. donated NT\$2,000,000 to disadvantaged families in Tainan to help create a better society.
- (4) Epoque i-Tower Happy Market event helps local entrepreneur friends and encourages colleagues to spend more to participate.
- (5) The Company donated NT\$100,000 to the Silver Grass Cultural and Creative Association to sponsor a children's theater performance in a remote area. This donation aims to help children in remote areas and promote the development of arts and cultural activities in Taiwan.
- (6) In support of the Pure Green Foundation's "Recycle Old Computers and Spread Love" program, the Company donated 12 computers. This donation aims to provide children, disadvantaged families, and non-profit organizations in need with refurbished computers, promoting both environmental protection and carbon reduction and reducing electronic waste.
- (7) The Company participated in the Sunshine Foundation's used book collection event, echoing the concept of "environmental protection through knowledge" to find new homes for beloved books. The proceeds from the donated books will be used for the psychological reconstruction service fund for burn and facial injury survivors. A total of 223 books were collected and donated during this event.
- (8) The Company contributed NT\$2,632,644 to charity donations and various social projects organized by local government agencies in 2023. The goal was to participate in charitable donations and various social projects run by the local government, strive to reach every corner of Taiwan needing help, and help create a harmonious society and promote sustainable development.

The aforesaid matters and results in relation to sustainable development are regularly disclosed on the Company's website and sustainability reports.

Note 1: If the Current Implementation is ticked "Yes," please specify the important policies, strategies, measures, and implementation status adopted. If the Current Implementation is ticked "No," please explain the difference and cause in the "Status and Reasons for Deviation from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" field, and explain the plans to adopt relevant policies, strategies, and measures in the future. Regarding promotion items 1 and 2, TWSE/TPEX-listed companies must describe their sustainable development governance and supervision structure, including management guidelines, strategy, goal formulation, and review measures. Describe the Company's risk management policies or strategies for environmental, social, and corporate governance issues related to operations and its assessment status.

Note 2: The principle of major issues refers to the subjects regarding environmental, social and corporate governance issues that have a significant impact on the Company's investors and other interested parties.

2. Status of climate action implementation

Item	Implementation Status
I. Describe the board of directors' management oversight, governance, and climate-related risks and opportunities.	The board of directors is the highest governing body for Clevo's climate change decision-making and management. It is responsible for managing and overseeing Clevo's climate risks and opportunities and making management decisions in response to these issues. The Sustainable Development Committee analyzes climate trend issues relevant to the Company annually. It is required to report to the Board of Directors at least annually to oversee the Company's climate risk management progress. The Board of Directors develops the Company's overall climate risk opportunity response strategy and future goal layout.
II. Describe how the identified climate risks and opportunities will affect the Company's business, strategy, and finances in the short-, medium-, and long-term).	(1) Transition Risk - Increased Greenhouse Gas Emissions Pricing - Short-term (within 3 years) In recent years, various countries have successively promulgated relevant regulations such as carbon tax or carbon fee. Taking the domestic "Climate Change Response Act" as an example, although Clevo is not the first to be subject to regulation, it should still pay attention to the cost risks of carbon fees or carbon tax in the future. If it is included in the regulation in the future, it will increase operating costs. Therefore, both the Taiwan headquarters and the Kunshan factory completed the construction of the greenhouse gas inventory system in 2022 to track carbon emissions and energy consumption trends and plan to invest in low-carbon product design and improve the energy use efficiency of the production process to reduce risks.
III. Describe the financial impacts of extreme climate events and transitional actions.	(2) Physical Risk - Increased Severity and Frequency of Extreme Climate Events - Medium-term (3-10 years) In recent years, the frequency of droughts and floods in China has increased annually. The government has frequently announced power rationing and off-peak production policies in response to high temperatures and droughts. Clevo's Kunshan factory in China only has a small amount of processed water, and domestic water is the primary source. After evaluation, the impact of short-term droughts on the Company is relatively small. However, if power rationing or reduced water supply is encountered, the cost of diesel generators and purchased water trucks may increase. The Kunshan factory has compiled a "Special Emergency Plan for Extreme Severe Weather Incidents" and conducts drills yearly. The Kunshan factory is equipped with water pumps to deal with flooding caused by heavy rain, and it also has four emergency diesel generators and backup diesel fuel to maintain production in the factory area in case of temporary power rationing by the local government. (3) Climate Opportunities - Development/Increase of Low-Carbon Products - Short-term (within 3 years) In recent years, global sustainability awareness has increased, and brands and consumers are gradually increasing their preference for low-carbon, energy-efficient, and recycled products. The Company's computer design includes energy-saving settings for the operating system to minimize charging cycles and help extend battery life. In addition, 100% of the notebooks currently produced by the Company meet the Energy Star energy efficiency standards, and 5 notebooks have passed the China Energy Efficiency Label (CEL) energy efficiency certification. This helps to enhance the Company's layout and order volume in the sustainable product market and further increases the Company's revenue. The Company has raised the requirements for using low-carbon and recyclable materials in the raw materials of its direct suppliers to grasp the market opportunities for low-carbon products, enhance the sustainable image and value of notebooks, and strengthen the product market competitiveness under the sustainable trend.
IV. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company has identified and assessed climate risks according to the TCFD's climate-related financial disclosure recommendations. However, the Company's risk management system is still under development. It is planned to include the climate risk management process in the planning and integrate it into the overall risk management system.
V. The scenarios, parameters, assumptions, analysis factors, and significant financial impacts must be explained if scenario analysis is used to assess resilience to climate change risks.	Not yet established, but is under planning.
VI. If there is a transition plan for managing climate-related risks, describe the plan's content and the indicators and goals used to identify and manage physical and transition risks.	Not yet established, but is under planning.
VII. If internal carbon pricing is used as a planning tool, the basis for setting the price must be stated.	Not yet established, but is under planning.

Item	Implementation Status																												
<p>VIII. If climate-related goals are set, information such as the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress achieved each Year must be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits or RECs to be offset must be clarified.</p>	<p>Clevo has established climate-related management goals to improve climate resilience, implemented various goals in the operation and management of factories and departments, effectively managed the threats posed by climate risks, and strengthened its ability to respond to climate change. The Company's Kunshan factory and Taipei headquarters completed carbon inventories in 2022. Using this as the base year, carbon reduction targets were set. Currently, the Kunshan factory has set carbon reduction targets to reduce the total carbon emissions of Scope 1 and Scope 2 by 1% annually compared to the previous year, reduce solid waste by 3%, and reduce comprehensive energy consumption by 1%.</p> <p>In 2023, the total carbon emissions of the Kunshan factory area were verified by SGS ISO14064-1, an external third-party verification agency, to have been reduced by xx% from the previous year, achieving the carbon reduction target.</p>																												
<p>IX. Greenhouse Gas Inventory and Assurance Status and Reduction Targets, Strategies, and Action Plans</p>	<p>(1) Greenhouse Gas Inventory and Assurance Status for the Last Two Years</p> <table border="1" data-bbox="768 432 2074 783"> <thead> <tr> <th rowspan="2">Inventory Information</th> <th colspan="2">Taipei Headquarters</th> <th rowspan="2">Inventory Information</th> <th colspan="2">Kunshan Plant</th> </tr> <tr> <th>2022</th> <th>2023</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Carbon emissions - Category 1 (ton CO₂e)</td> <td>29.6</td> <td>29.45</td> <td>Carbon emissions - Category 1 (ton CO₂e)</td> <td>102.9</td> <td>126.22</td> </tr> <tr> <td>Carbon emissions - Category 2 (ton CO₂e)</td> <td>423.1</td> <td>299.89</td> <td>Carbon emissions - Category 2 (ton CO₂e)</td> <td>3,264.8</td> <td>3,324.04</td> </tr> <tr> <td>Carbon Emission Intensity (ton CO₂e/ping)</td> <td>0.119</td> <td>0.086</td> <td>Carbon Emission Intensity (ton CO₂e/1000 units)</td> <td>2.09</td> <td>2.04</td> </tr> </tbody> </table> <p>(2) Greenhouse gas reduction goal, strategy, and action plan achievement status: The Company is committed to following various export countries' energy-saving and carbon reduction requirements and regulations. Developing efficient products aims to enhance the energy conversion efficiency of these products, thereby reducing the carbon footprint throughout their lifecycle. The Company continuously demands carbon reduction efforts from key suppliers to achieve carbon reduction effectiveness across the supply chain and promote a low-carbon supply network. In addition to installing solar panels, the Company annually reviews aging equipment and machinery in its factories. It replaces underperforming equipment to improve operational energy efficiency. Furthermore, the Company has implemented an automated air conditioning control system to reduce baseline electricity consumption in its offices. The Kunshan factory and the Taipei headquarters completed carbon inventories in 2022, using this as the baseline year to set carbon reduction targets. The Kunshan factory has established goals to reduce Scope 1 and Scope 2 carbon emissions by 1% annually compared to the previous year. In 2023, the total carbon emissions of the Kunshan factory area were verified by SGS ISO14064-1, an external third-party verification agency, to have been reduced by xx% from the previous year, achieving the carbon reduction target.</p>	Inventory Information	Taipei Headquarters		Inventory Information	Kunshan Plant		2022	2023	2022	2023	Carbon emissions - Category 1 (ton CO ₂ e)	29.6	29.45	Carbon emissions - Category 1 (ton CO ₂ e)	102.9	126.22	Carbon emissions - Category 2 (ton CO ₂ e)	423.1	299.89	Carbon emissions - Category 2 (ton CO ₂ e)	3,264.8	3,324.04	Carbon Emission Intensity (ton CO ₂ e/ping)	0.119	0.086	Carbon Emission Intensity (ton CO ₂ e/1000 units)	2.09	2.04
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(VI) The difference from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons:

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
I. Develop the Policies and Programs for Ethical Corporate Management				No deviation.
(I) Has the Company stipulated the ethical corporate management policy approved by the Board of Directors and expressed the policies and practices for ethical corporate management in its regulations and external documents, as well as the commitment of the Board of Directors and high management to actively implement ethical corporate management?	V		(I) In order to align the Company's directors and managers with ethical standards, and to make the Company's stakeholders more aware of its ethical standards, the Company has formulated the Codes of Ethical Conduct, Ethical Corporate Management Best Practice Principles, and the Procedures for Ethical Management and Guidelines for Conduct. According to the systems for director's avoidance of conflict of interest set out in the Procedural Rules of the Board of Directors Meetings, for matters that are of interest to a director or the legal person he/she represents, and that are harmful to the interests of the Company, the director shall not participate in the discussions for and voting on those matters.	
(II) Does the company create an assessment mechanism for the risk of misconduct, regularly analyze and assess business activities with high risks of misconduct, and stipulate a plan to prevent misconduct which includes all of the preventive measures stipulated in the second paragraph of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(II) The Board of Directors of the Company had passed the "Ethical Corporate Management Best Practice Principles" in 2015 and Article 7 of the principles clearly define that "the Company should create an assessment mechanism for the risk of misconduct, regularly analyze and assess business activities with high risks of misconduct, stipulate a prevention program, and regularly review the appropriateness and effectiveness of the prevention program" according to the requirements of the competent authority. And prevent misconduct based on the Company's "Procedures for Ethical Management and Guidelines for Conduct." The operating procedures and guidelines for conduct have included all of the preventive measures stipulated in the second paragraph of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."	
(III) Has the Company stipulated a plan to prevent misconduct, and specify operating procedures, behavioral guidelines, disciplinary and grievance systems for violations in each program, and put them in place? And regularly review and revise the preceding plan?	V		(III) The precautionary measures against offering and accepting bribes, and providing illegal political donations have stipulated in the Company's Procedures for Ethical Management and Guidelines for Conduct. The Company's administrative management center, in addition to amending the Procedures for Ethical Management and Guidelines for Conduct, is put in charge of supervising the implementation thereof.	
II. Implementation of Ethical Corporate Management				No deviation.
(I) Has the Company assessed the track records of business ethics of counterparties and incorporated code of conduct in the contracts with counterparties?	V		(I) In addition to complying with the Company's Procedures for Ethical Management and Guidelines for Conduct, when entering into a commercial contract with other parties, in addition to fully understanding their status about ethical corporate management, the contract shall be performed in good faith; Before signing a contract, ethical corporate management will be included in the terms of the contract if the Company deems it necessary subject to amendments thereto in light of the type of the contract.	
(II) Has the Company set up a dedicated unit under the Board of Directors that promotes ethical corporate management and reports its ethical corporate management policy and plan for the prevention of misconduct as well as the implementation status to the Board of Directors on a regular basis (at least	V		(II) The Company's administrative management center is the dedicated unit for ethical corporate management and working with the audit office to develop relevant regulations. President serves as the convener for the formulation, amendment, implementation, interpretation and consultation of the Procedures for Ethical Management and Guidelines for Conduct, as well as the operation and monitoring of registered contents reporting and filing. The responsible unit reports to the Board of Directors each year about the implementation progress. Appropriate	

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
once a year)?			channels for statements are provided to avoid conflict of interest. Meanwhile, the Board of Directors has approved on March 27, 2015 the formulation of the Company's Ethical Corporate Management Best Practice and Procedures for Ethical Management and Guidelines for Conduct.	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	V		(III) The implementation of the policies for ethical corporate management in 2023 was reported to the Board of Directors on March 14, 2024. The Company's Board of Directors shall exercise due care of a good administrator in supervising the Company to prevent dishonesty, and review the implementation effectiveness and continuous improvement at any time to ensure that ethical corporate management policy is put into effect. The Company has stipulated the "Codes of Ethical Conduct," "Rules for Ethical Business operations" and "Procedures for Ethical Management and Guidelines for Conduct" which have clearly stated the policy for preventing the conflicts of interest, so that directors should be highly self-disciplined, and account for any proposed matter for consideration at the meeting of the Board of Directors if he/she or the legal person he/she represents may be interested therein. A director shall not participate in the discussions and voting, nor shall he/she exercise his/her own vote or by proxy on behalf of another director if the aforesaid conflicts of interest impair the interest of the Company. If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouses, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both their immediate supervisors and the Company's dedicated unit, and the immediate supervisor shall provide the personnel with proper instructions. No personnel of the Company may use the Company's resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.	
(IV) Has the Company established an effective accounting system and internal control system for the ethical corporate management, assigned internal auditing unit to stipulate relevant audit plan according to the assessment results for the risk of misconduct, as well as use it as reference for auditing and preventing on the compliance status of misconduct, or entrust CPAs to conduct the auditing	V		(IV) The Company has established a complete and effective internal control system, relevant management regulations, accounting systems, Ethical Corporate Management Best Practice Principles, etc., which are implemented and reviewed at any time to ensure that the design and implementation of the systems are effective. Internal auditors regularly inspect operating activities each year. In case of any dishonest behavior is identified, audit reports will be produced and submitted to the Board of Directors. No dishonest behavior occurred in 2023.	
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	V		(V) The Administrative management center, the Company's ethical management unit, regularly organizes education and training for new employees (including ethical corporate management). The Company's 2023 implementation was as follows: 1. When the Company provides training and education to new hires to advocate the regulations governing ethical businesses, the employees who have completed the curriculum are asked to sign documents concerning ethics and code of conduct such as confidentiality agreements, commitment to ethics and self-discipline, employee's self-regulation pact, and employee's declaration statement. In 2023, a total of 71 new hires	

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
			<p>signed these documents at a 100% sign-up ratio.</p> <p>2. The Company started to offer employees training and education via e-learning about ethical corporate management. The title of the two-hour curriculum is "<u>Cherish not Jewelry but Integrity - Ethical Corporate Management</u>." As of the end of 2023, a total of 66 visitors clicked on the curriculum.</p> <p>3. The Company propagates the norms relating to ethical conduct and ethical management to its employees on the Company's internal web page. In 2023, a total of 186 clicks were recorded on the relevant operating standards and regulations.</p> <p>4. Employees may flag or report illegal behaviors via multiple channels to management and the human resources department. The Company discloses and declares its ethical corporate management policies and implementations at its website and annual reports. No illegal behavior was reported in 2023 via the hotline or emails.</p>	
<p>III. Operation of the Company's Whistle-blowing System</p> <p>(I) Has the Company put in place the specific whistle-blowing and reward system, established a convenient reporting channel, and assigned appropriate personnel to deal with whistle-blowing?</p> <p>(II) Has the Company set the investigation standards, operating procedures, follow-up measures after the investigation and related confidentiality mechanisms for the reported complaints?</p> <p>(III) Has the Company taken measures to protect whistle-blowers from retaliation due to reporting?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(I) When a director or manager violates the Codes of Ethical Conduct, he/she shall be reported to the Board of Directors for treatment. The Board of Directors shall appoint one or more persons to investigate his/her behavior. In case of any violation, the Board of Directors may punish him/her depending on the seriousness of the case. Information such as the title, name, date of violation, cause, the guidelines which have been violated, and punishment about the person who has violated the Codes of Ethical Conduct should be disclosed immediately on the Market Observation Post System if such violation is material. Those who violate ethical standards may appeal to the Board of Directors.</p> <p>The Company encourages internal and external personnel to report on unfaithful behavior or misconduct, and pay bonuses to them at its own discretion depending on the seriousness of the case. Any internal personnel who are found to have fraudulently reported or made malicious allegations, should be subject to disciplinary punishment, up to and including termination.</p> <p>The Company has established and announced internal independent mailboxes or special lines for complaints on the Company's website and the Intranet, or has other external independent agencies to provide such mailboxes and special lines for use by internal and external personnel.</p> <p>(II) The mechanisms for operations and confidentiality have been stipulated in accordance with the "Codes of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct" and the compliant system. The Company shall keep confidentiality of information on whistleblowers or the personnel involved in the investigation as well as the investigation content.</p> <p>(III) The company has created a complaint system that aims to maintain the Company's reputation, safeguard the property, prevent corruption, theft, embezzlement, or other violations of laws and regulations that affect the rights and interests of shareholders, employees, and business partners, and protect the safety of whistleblowers. The company will also keep the identity of whistleblowers and reports confidential. When discovering or receiving reports on dishonest acts of the Company's personnel, the Company should immediately find out the truth. If the violators can produce evidence indicating they have not violated the Company's regulations,</p>	No deviation.

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
			<p>they can immediately appeal to the Administrative Management Center. If it is confirmed that the violators violate the relevant laws or the Company's policies and regulations for ethical corporate management, they are required to immediately stop the relevant act and subject to disciplinary actions; a claim for damages will be made by the Company if necessary through legal proceedings to maintain the Company's reputation and interests.</p> <p>The Company guarantees that the identity of the individuals lodging complaints or whistle-blowers, and the information provided by them will be kept in absolute confidentiality in accordance with the laws, and they will not be punished for reporting.</p> <p>Contact information: Reporting mailboxes Chinese: 24199 三重郵局第 3-96 號信箱 English: P.O.BOX 3-96 Sanchong New Taipei City 24199 Taiwan (R.O.C.) E-Mail address : audit@clevo.com.tw Special line: (02)2995-0299</p>	
IV. Enhancing Information Disclosure (I) Has the Company disclosed the contents and implementation effectiveness of the Ethical Corporate Management Best Practice Principles on its website and the Market Observation Post System?	V		<p>The Company disclosed the contents of the Ethical Corporate Management Best Practice Principles on its website and the Market Observation Post System. The implementation performance status is also disclosed in the annual and responsibility reports. Please visit the Company's website for details at https://www.clevo.com.tw.</p>	No deviation.
V. If the Company has enacted the Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the stipulated principles: No difference.				
<p>VI. Other important information helpful for better understanding of ethical corporate management: (such as the review of and amendments to the Ethical Corporate Management Best Practice Principles, etc.):</p> <ol style="list-style-type: none"> 1. The Company's Board of Directors, on March 27, 2015, approved the formulation of the Ethical Corporate Management Best Practice and Procedures for Ethical Management and Guidelines for Conduct. Amendments for some articles were made on March 27, 2018, and March 31, 2020, and reported to the shareholders' meetings during the respective years. 2. The Company complies with the Company Act, Securities and Exchange Act, the relevant laws and regulations related to listing or other codes of business conduct as the basis for the implementation of ethical corporate management. 3. According to the systems for director's avoidance of conflict of interest set out in the Procedural Rules of the Board of Directors Meetings, for proposals submitted to a meeting of the Board of Directors that are of interest to a director or the legal person he/she represents, the director may express his/her opinions and answer questions, but he/she shall not participate in the discussions for and voting on those proposals, nor shall he/she exercise his/her own vote or by proxy on behalf of another director if the aforesaid conflicts of interest impair the interest of the Company. 4. The "Procedures for Handling Major Internal Information Operation and Preventing Insider Trading" developed by the Company specifically stipulate that directors, managers and servants are not allowed to disclose the major internal information they are aware of to others, and may not inquire about or collect the unrevealed and major internal information irrelevant to personal duties from those who are aware of the major internal information within the Company. No unrevealed and major internal information acquired not through conduct of business shall be disclosed to others. 5. The Company has implemented stock trading control measures for insiders according to Article 10 of the Company's "Corporate Governance Best-Practice Principles." These measures, which are intended to prevent insider trading, include (but are not limited to) directors are prohibited from trading their shares during the closed period, which is the 30 days preceding the announcement of the annual financial report and the 15 days preceding the announcement of each quarterly financial report. 				

(VII) If the Company has established the Corporate Governance Best Practice Principles and the related regulations, it should disclose how to inquire about such principles:

1. To establish a robust corporate governance system, the Company has formulated the Corporate Governance Best-Practice Principles.
 2. In order to align the Company's directors and managers with ethical standards, and to make the Company's stakeholders more aware of its ethical standards, the Company has stipulated the "Codes of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," and the "Procedures for Ethical Management and Guidelines for Conduct."
 3. In order to establish a good mechanism for handling and disclosing major internal information of the Company, to avoid improper disclosure of information, to ensure the consistency and correctness of the information made publicly available by the Company, and to strengthen the prevention and management of insider trading, the Company has established the Operating Procedures for Handling Major Internal Information and Prevention of Insider Trading which shall be followed by all the employees.
 4. Please visit <https://www.clevo.com.tw> for the related codes or management procedures.
- (VIII) Other important information that is useful to better understand the corporate governance operations shall also be disclosed:
The information about corporate governance on the Company's website can be assessed at <https://www.clevo.com.tw> °

(IX) Implementation Status of Internal Control Systems

1. Statement of Internal Control.

CLEVO CO.

Statement of Internal Control System

Date: March 14, 2024

Based on self-assessment of its internal control system for 2023, the Company makes the following statement:

- I. The establishment, implementation and maintenance of an internal control system are the responsibility of the Company's Board of Directors and management. The Company has established such a system, designed to provide reasonable assurance with respect to the effectiveness and efficiency of business operations (including profitability, performance and safeguarding of assets), the preparation of reliable, timely and transparent financial statements, and their compliance with the relevant rules and regulations.
- II. An internal control system, no matter how well designed, has inherent limitations and therefore can provide only reasonable assurance with respect to the accomplishment of the above goals. Furthermore, because of changing conditions and circumstances, the effectiveness of an internal control system may vary over time. Notwithstanding, the internal control system of the Company contains self-oversight mechanisms, and actions are taken to correct deficiencies as they are identified.
- III. The Company examined the design and effective implementation of its internal control system according to the criteria prescribed in the Regulations Governing Establishment of Internal Control Systems by Public Companies (called the Regulations below). The "Regulations" divide internal control into five constituents in line with the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Supervision. Each constituent contains several criteria. Please refer to the "Regulations" for details.
- IV. The Company has evaluated the effectiveness of design and implementation of its internal control system in accordance with the above criteria.
- V. Based on the evaluation findings above, the Company believes that it has reasonably guaranteed the achievement of the goals above within the preceding internal control period (including the monitoring of the subsidiaries) as of December 31, 2023, including the effectiveness and efficiency of operations, reliability, timeliness and transparency of financial reporting and compliance with relevant legal rules, and that the design and implementation of the internal control system are effective.
- VI. This Statement will be a major part of the Company's annual report and prospectus, and will be made publicly available. The Company shall be held liable for misrepresentation or nondisclosure in the above content, according to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been approved by the Company's Board of Directors at the meeting held on March 14, 2024, at which this Statement was unanimously endorsed by all 6 attending directors without any opposing opinions.

CLEVO CO.

Chairman: Hsu, Kun-tai Seal

President: Tsai, Ming-Hsien Seal

Note 1: If there is a major deficiency in the design and implementation of the internal control systems of public companies identified in the year, the explanatory paragraph should be added to Paragraph 4 of the Statement of Internal Control System to list and explain the major deficiency found in the self-assessment, the improvement actions taken by the Company by the balance sheet date, and improvements.

Note 2: The date of statement is the "end of the fiscal year."

2. If accountants are entrusted with review of the internal control system, the review report issued by the accountants shall be disclosed: None.

(X) In the most recent year and up to the date of publication of the annual report, if the Company and its internal personnel have been punished according to the laws, or the punishment has been imposed on internal personnel by the Company for violation of the internal control systems, if the result of the punishment may have a significant impact on shareholders' rights and interests or securities prices, the content of the punishment, major defects and improvement shall be listed: Not applicable.

(XI) Important resolutions passed at the meetings of shareholders and the Board of Directors in the most recent year and up to the date of publication of the annual report.

1. Important resolutions at the general shareholders' meeting on May 31, 2023, and the implementations are as follows:

(1) Reports on Company Affairs

Subject 1:2022 business report proposal.

Subject 2:2022 final statement for audited by the Audit Committee audit proposal.

Subject 3:2022 employee, director, and supervisor remuneration distribution proposal.

Subject 4:2022 earnings distribution and cash dividends status report proposal.

(2) Matters to be Ratified

Motion 1: Passed the Company's 2022 final accounts proposal.

Progress: This proposal has come into effect after being passed at the shareholders' meeting.

Motion 2: Passed the Company's 2022 earnings distribution proposal.

Implementation:

For 2022, the Company's retained earnings at the beginning of the year amounted to NT\$1,789,871,550 after legal adjustments. According to Article 26 of the Company's Articles of Incorporation, the distributable profit was NT\$3,517,388,293. For the fiscal year 2022, the Company distributed NT\$918,394,500 in cash dividends to shareholders, with a NT\$1.5 per share dividend. The ex-dividend date was set for June 28, 2023, and the dividends were paid in full on July 20, 2023.

2. Important resolutions passed at the Board of Directors meeting in the most recent year and up to the date of publication of the annual report:

Attendance status of directors and supervisors: V = attended

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director			Attend
					Hsu, Kun-Tai	Tsai, Ming-Hsien	Lu, Jin-Zong	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	Lai, Ling-Ming	
1	13	2023.01.04	2023.01.12 (Video Conference)	1. Proposal to discuss the 2022 manager year-end bonus reviewed by the Company's Remuneration Committee.	V	V	V	V	V	V	V	Wu, Mai Chiu, Shu-Juan
2	14	2023.03.07	2023.03.15	1. Proposal to report the implementation status of the resolutions passed by the 9th Board of Directors meeting in 2022 and the 1st Board of Directors meeting in 2023 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Proposal to report the 2022 board and functional committee performance assessment results. 5. Proposal to report the 2022 corporate governance implementation status. 6. Proposal to report the 2022 ethical corporate management policy implementation status. 7. In order to cooperate with the accountant rotation policy of PwC Taiwan, it is proposed to change the CPAs who issue financial reports to the Company. 8. The proposal for C.P.A. independence and professional qualification evaluation was passed according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." 9. Passed the Company's 2022 finalized account and business report proposal. 10. Passed the Company's 2022 earning distribution proposal. 11. Passed the Company's 2022 surplus distribution cash dividend proposal. 12. Passed the 2022 employee and director remuneration proposal reviewed by the Company's Remuneration Committee. 13. Passed 2022 director remuneration distribution operation proposal. 14. Passed 2022 independent director remuneration distribution operation proposal. 15. Passed the Company and its consolidated subsidiaries' inventory and verification proposal of greenhouse gas emissions. 16. Passed the proposal to amend the Company's "Procedural Rules for the Board of Directors Meetings." 17. Adoption of amendments to the Procedures for Transfer of Shares to Employees by Buyback of the Company. 18. Passed the proposal to amend the Company's "Operating Procedures for Handling Major Internal Information and Prevention of Insider Trading." 19. Passed the proposal to amend some articles and change the name of the Company's "Corporate Social Responsibility Best Practice Principles." 20. Passed the proposal to amend the Company's relevant operating procedures according to the "Regulations Governing Establishment of Internal Control Systems by Public Companies." 21. Passed the proposal on the Company's 2022 Internal control system to issue an internal control system statement based on the self-assessment results. 22. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 23. Passed the proposal for syndicated loans of NT\$7.2 billion with a term of 5 years raised for CLEVO by Taiwan Cooperative Bank as the coordinator and arranger. 24. Passed the proposal for convening the general meeting for 2023 and the discussion for relevant operations.	V	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Wu, Han-Qi Lin, Po-Chuan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director			Attend
					Hsu, Kun-Tai	Tsai, Ming-Hsien	Lu, Jin-Zong	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	Lai, Ling-Ming	
3	15	2023.05.02	2023.05.10	<ol style="list-style-type: none"> Proposal to report the implementation status of the resolutions passed by the 2th Board of Directors meeting in 2023. Report on internal audit of business. Report on memorandum book for the Company's derivative commodity transactions. Proposal to submit the Company's greenhouse gas emissions inventory and verification plan implementation report. Report on the implementation by the Company's Information Security Management Committee in 2022. Report on the Company's corporate governance evaluation results in 2022. Approved the Company's consolidated financial statements for the first quarter of 2023. Approved the Company's "non-authentication service pre-approval policy". Approved Capital increase USD 4 million of KAPOK COMPUTER (SAMOA) CORPORATION. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 	V	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Huang, An-Qi Wu, Han-Qi Lin, Po-Chuan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director		Attend
					Hsu, Kun-Tai	Tsai, Ming-Hsien	Lu, Jin-Zong	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	
4	16	2023.06.21	2023.07.05	<ol style="list-style-type: none"> Adoption of the proposed purchase of liability insurance for the Company's directors and important staff. Passed 2022 director remuneration distribution operation proposal. Passed 2022 independent director remuneration distribution operation proposal. Passed the 2022 employee remuneration distribution operation proposal. 	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan
5	17	2023.08.02	2023.08.11	<ol style="list-style-type: none"> The Company's 2023 3rd-4th board of directors resolution implementation status report. Report on internal audit of business. Report on memorandum book for the Company's derivative commodity transactions. Report on the greenhouse gas emissions inventory and verification execution proposal for the Company and its consolidated subsidiaries. Proposal to report the Company's 2022 sustainable development promotion status. Proposal to report the Company's 2022 stakeholder communication status. Passed the proposal to amend CPA independence and qualification for certification and evaluation of the Company's financial statements according to PwC Taiwan's CPA rotation policy. Passed the Company's consolidated financial statements for the second quarter of 2023 Adoption of the proposed appointment of the members of the Remuneration Committee. Passed the capital increase of NT\$3.75 billion in Taipei Twin Towers Limited. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Feng, Min-Juan Lin, Po-Chuan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director		Attend
					Hsu, Kun-Tai	Tsai, Ming-Hsien	Lu, Jin-Zong	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	
6	18	2023.11.02	2023.11.10	<ol style="list-style-type: none"> 1. Execution Report on the Resolutions of the 5th Board Meeting of the Company in 2023. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on the greenhouse gas emissions inventory and verification execution proposal for the Company and its consolidated subsidiaries. 5. The Company's intellectual property management matters implementation status report. 6. Passed the Company's consolidated financial statements for Q3 of 2023. 7. Passed the "2023 Action Plan" proposal for the Company's Corporate Governance Committee. 8. Passed the proposal to amend the Company's "Operational Regulations Governing Financials and Businesses Among Affiliates." 9. Passed the proposal to amend the Company's "Operating Procedures for Handling Major Internal Information and Prevention of Insider Trading." 10. Passed the Company's 2024 audit proposal. 11. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Feng, Min-Juan Lin, Po-Chuan
7	19	2024.01.12	2024.01.22	<ol style="list-style-type: none"> 1. Proposal to discuss the 2022 manager year-end bonus reviewed by the Company's Remuneration Committee. 	V	V	V	V	V	V	Wu, Mai Chiu, Shu-Juan
8	20	2024.03.05	2024.03.14	<ol style="list-style-type: none"> 1. Proposal for the Company's 6th 2023 and 1st 2024 board of directors resolutions implementation report. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on the greenhouse gas emissions inventory and verification execution proposal for the Company and its consolidated subsidiaries. 5. Proposal to report the 2023 board and functional committee performance assessment results. 6. Proposal to report the 2023 corporate governance implementation status. 7. Proposal to report the 2023 ethical corporate management policy implementation status. 8. The proposal for C.P.A. independence and professional qualification evaluation was passed according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." 9. Passed the Company's 2023 finalized account and business report proposal. 10. Passed the Company's 2023 earning distribution proposal. 11. Passed the Company's 2023 surplus distribution cash dividend proposal. 12. Passed the 2023 employee and director remuneration proposal reviewed by the Company's Remuneration Committee. 13. Passed 2023 director remuneration distribution operation proposal. 14. Passed 2023 independent director remuneration distribution operation proposal. 15. Approved the re-election of the Company's directors (including independent directors). 16. Adoption of a list of candidates for the directors nominated and review of the nominations by the Board of Directors. 17. Adoption of a list of candidates for the independent directors nominated and review of the nominations by the Board of Directors.2024.03.14 18. Passed the proposal to amend the Company's" Procedural Rules for the Board of Directors Meetings." 19. Passed the amendment of the Company's Audit Committee Charter. 20. Passed the proposal for the Company's 2023 internal control system and 	V	V	V	V	V	V	Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Feng, Min-Juan Lin, Po-Chuan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director		Attend
					Hsu, Kun-Tai	Tsai, Ming-Hsien	Lu, Jin-Zong	Chien, Yih-Long	Chou, Po-Chiao	Chen, Tsung-Ming	
				<p>issued an internal control system statement according to the self-assessment results</p> <p>21. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions.</p> <p>22. Passed the proposal for the 2024 regular shareholders' meeting agenda discussion for relevant operations.</p>							
9	21	2024.05.02	2024.05.10	<p>1. The Company's 2024 2nd board of directors resolution implementation status report.</p> <p>2. Report on internal audit of business.</p> <p>3. Report on memorandum book for the Company's derivative commodity transactions.</p> <p>4. Report on the greenhouse gas emissions inventory and verification execution proposal for the Company and its consolidated subsidiaries.</p> <p>5. Proposal to report the 2023 Cybersecurity Committee implementation status.</p> <p>6. Submit the Company's 2023 corporate governance assessment results.</p> <p>7. Passed the Company's consolidated financial statements for Q1 of 2024.</p> <p>8. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions.</p>	V	V	V	V	V	V	<p>Wu, Mai Liu, Yi-Mei Chiu, Shu-Juan Lin, Nan-Sheng Huang, An-Qi Feng, Min-Juan Lin, Po-Chuan</p>

(XII) In the most recent year and up to the date of publication of the annual report, the major contents of the opposition expressed by directors or supervisors about the significant resolutions passed by the Board of Directors that has been noted in the records or declared in writing: None.

(XIII) Summary of resignations and dismissals of Chairman, President, Chief Accounting Officer, Chief Financial Officer, Chief Internal Auditor, Corporate Governance Officer, and R&D Head during the most recent year and as of the print date of the annual report: None.

V. Fees paid to CPAs

Unit: NT\$ thousand

Name of accounting firms	Name of CPAs		Audit period	Audit fees	Non-audit fees	Total	Remark
PwC Taiwan	Wu, Han-Qi	Lin, Po-Chuan	2023.01.01~2023.03.31	5,450	1,050	6,500	1. Due to the rotation policy of PwC, starting from the second quarter of 2023, CPA Wu, Han-Qi was changed to CPA Feng, Min-Juan. 2. Explanation on non-audit fees: NT\$1,050 thousand for Transfer Pricing Report/Group
	Lin, Po-Chuan	Feng, Min-Juan	2023.04.01~2023.12.31				

Note: If the Company changes CPAs or accounting firms during the year, it is necessary to provide the audit periods and the reason for the change in the Remark column and disclose the audit fees and non-audit fees paid. The details of the services for non-audit fees should be provided.

- (I) If the non-audit fees paid to the CPAs, the accounting firms the CPAs work for and their affiliated companies accounting for more than one fourth of the audit fees, the amount of audit and non-audit fees, and non-audit services shall be disclosed: None.
- (II) If the audit fees paid during the year when the accounting firm is replaced are less than the previous year, the amount of the audit fees before and after the replacement, and the reasons for reduction shall be disclosed: None.
- (III) If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed: None.

VI. Information about Replacement of CPAs:

(I) Former CPAs

Replacement Date	2023.04.01		
Reasons for Replacement	Due to the rotation policy of PwC Taiwan, the Company has replaced the former CPA Wu, Han-Qi with the CPA Feng, Min-Juan from the 2nd quarter of 2023.		
The term of office for the appointer or accountant is terminated or he/she does not accept the appointment	Parties		
	Situation	CPAs	Appointer
	Voluntary termination of appointment		V
	No further acceptance (continuation) of appointment		
Comments and reasons for review reports without qualified opinions issued within the period of most recent two years	No such circumstances		
Is there any disagreement with the issuer?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Verification scope or steps
			Others
	None	V	
Description: not applicable			
Other disclosures (The matters referred to in Articles 10.6(1)-4 to 7 of these Principles shall be disclosed)	<p>(1) If the former CPA has informed the Company that a lack of a sound internal control system rendered its financial reports untrusted: None.</p> <p>(2) If the former CPA has informed the Company that he/she could not rely on the Company's statement or was unwilling to have any connection with the Company's financial reports: Non.</p> <p>(3) If the former CPA has informed the Company that it was necessary to expand the scope of audit, or the information indicated that the expansion of the scope of the audit would impair the credibility of the previously issued or forthcoming financial reports, however, the former CPA did not expand the scope of the audit due to replacement or other reasons: No.</p> <p>(4) If the former CPA has informed the Company that the credibility of the previously issued or forthcoming financial reports may be impaired based on the information gathered, however, the former CPA did not deal with such matters due to a replacement or other reasons: No.</p>		

(II) Successive CPAs

Name of accounting firm	PwC Taiwan
Name of CPAs	CPA Lin, Po-Chuan and CPA Feng, Min-Juan
Date of appointment	2023.04.01
Accounting treatment methods or accounting principles for specific transactions, and advisory matters and results that may be issued for financial reporting prior to appointment	None
Written opinions of the successive accountants different from those of the former accountants	None

(III) Replies from the former accountants to the matters referred to in Article 10, paragraph 6(1) and (2)-3 of the Principles: Not applicable.

VII. If the chairman, general manager, or the manager responsible for financing or accounting affairs, who has worked for the accounting firm to which CPAs belong or the affiliated enterprises in the past year, his/her name, title and the period working for the accounting firm or the affiliated enterprises: None. The affiliated companies of the accounting firm to which CPAs belong refer to the companies or institutions in which the accounts of the accounting firm CPAs work for hold more than 50% of the shares, or hold positions of more than half of the directors, or which are called affiliated companies in the information published or printed by the accounting firm: None.

VIII. Information about the shares transferred by and changes to the shares pledged by the directors, supervisors, managers and the shareholders holding more than 10% of shares in the most recent year and up to the date of publication of the annual report

(I) Changes to the shares held by directors, supervisors, managers and majority shareholders:

Title (Note 1)	Full name	2023		Up to April 2 in the current year	
		Increase/ decrease number of shares held	Increase/ decrease number of shares pledged	Increase/ decrease number of shares held	Increase/ decrease number of shares pledged
Chairman And more than 10% of shares (Note 2)	Hsu, Kun-tai	-	-	-	-
Vice Chairperson and President	Tsai, Ming-Hsien	-	-	-	-
Director and Executive Vice President	Chien, Yih-Long	-	-	-	-
Director	Lu, Jin-Zong	-	-	-	-
Independent Director	Chou, Po-Chiao	-	-	-	-
Independent Director	Chen, Tsung-Ming	-	-	-	-
Independent Director	Lai, Ling-Ming (Resignation on 2024/05/31)	-	-	-	-
Senior Vice President	Zhang, Fu-Ming	-	-	-	-
Vice President, Chief of Finance/Accounting and Officer of Corporate Governance	Wu, Mai	-	-	-	-
Vice President	Li, Wen-Hua	-	-	-	-
Vice President	Chen, Hsueh-Wen	-	-	-	-
Vice President	Lin, Nan-Sheng	-	-	-	-
Vice President	Lin, Guan-Yen	-	-	-	-
Senior Assistant Vice President	Zhang, Wen-Song	-	-	-	-
Senior Assistant Vice President	Wang, Feng-Zhu	-	-	-	-
Senior Assistant Vice President	Chung, Wen-Chin	-	-	-	-

Title (Note 1)	Full name	2023		Up to April 2 in the current year	
		Increase/ decrease number of shares held	Increase/ decrease number of shares pledged	Increase/ decrease number of shares held	Increase/ decrease number of shares pledged
Senior Assistant Vice President	Cheng, Yu-Ming	-	-	-	-
Senior Assistant Vice President	Lin, Sheng-Hsiang	-	-	-	-
Senior Assistant Vice President	Lin, Liang-Shih	(2,000)	-	(4,000)	-
Senior Assistant Vice President	Chen, Tsung-Chih	-	-	-	-

Note 1: Shareholders holding more than 10% of the Company's shares should be indicated as major shareholders, and listed separately.

Note 2: Include spouse, minor children, and owned in other's name who hold totally more than 10% of shares

Note 3: If the transferee or pledgee of shares is a related party, the following form shall be filled out.

(II) Information about share transferring: None.

(III) Information about pledge of stock rights: None.

IX. Information about the Relationships among Top Ten Shareholders, Such as Related Parties, Spouses or Relatives within the Second-degree of Kinship.

April 2, 2024

Name (Note 1)	Number of shares held in person		Shares held by spouse and minor children		Total number of shares held in the name of others		Name of a related party, spouse or second-grade relative, and relationships among top ten shareholders (Note 3).		Remark
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Name	Relationship	
Hsu, Kun-Tai	46,701,335	7.39%	21,371,784	3.38%	0	0%	Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin Hsu, Cheng-Hsin Hsu, Yuch-Sen	Spouse First-degree relative First-degree relative First-degree relative Second-degree relative	-
Huatai Investment Co., Ltd. Person in charge: Hsu, Kun-Tai	37,326,144	5.90%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin Hsu, Cheng-Hsin	Person in charge of the Company Spouse of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative	-
Epoque Co., Ltd. Person in charge: Hsu, Kun Tai	33,567,888	5.31%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin Hsu, Cheng-Hsin	Person in charge of the Company Spouse of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative	-
Hsu, Fu-Chia	33,042,454	5.23%	4,023,196	0.64%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Li-Hsin Hsu, Cheng-Hsin	First-degree relative First-degree relative Second-degree relative Second-degree relative	-
Youkang Electronics Co., Ltd. Person in charge: Lu, Jin-Zong	23,530,000	3.72%	0	0%	0	0%	-	-	-
Chicony Electronics CO.. Person in charge: Hsu, Kun Tai	23,000,608	3.64%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin Hsu, Cheng-Hsin	Person in charge of the Company Spouse of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative	-
Lin, Feng-Chu	21,371,784	3.38%	46,701,335	7.39%	0	0%	Hsu, Kun-Tai Fu-Chia Hsu Hsu, Li-Hsin Hsu, Cheng-Hsin	Spouse First-degree relative First-degree relative First-degree relative	-
Hsu, Li-Hsin	17,769,568	2.81%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Cheng-Hsin	First-degree relative First-degree relative Second-degree relative Second-degree relative	-
KAPOK COMPUTER Person in charge: Hsu Kun Tai	16,966,596	2.68%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin Hsu, Cheng-Hsin	Person in charge of the Company Spouse of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative First-degree relatives of the Company's representative	-
Hsu, Cheng-Hsim	15,768,156	2.49%	0	0%	0	0%	Hsu, Kun-tai Lin, Feng-Chu Hsu, Fu-Chia Hsu, Li-Hsin	First-degree relative First-degree relative Second-degree relative Second-degree relative	-

Note 1: All the top ten shareholders should be listed. The name of corporate shareholders (if any) and the representatives of corporate shareholders should be listed separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the ratio of shareholdings in the name of a shareholder, his/her spouse, minor children or another person.

Note 3: The relationship among the shareholders listed above, including legal persons and natural persons, shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

X. Number of the shares in the same investees held by the Company and its directors, supervisors, managers and the enterprises directly or indirectly controlled by the Company, and calculation of the combined shareholding percentage.

Unit: number of shares; %

March 31, 2024

Investees (Note)	Investment made by the Company		Invested by directors, supervisors, managers and the enterprises directly or indirectly controlled		Comprehensive investment	
	Number of shares	% of shareholding	Number of shares	% of shareholding	Number of shares	% of shareholding
1. KAPOK COMPUTER	8,000,000	100%	0	0 %	8,000,000	100%
2. CLEVO Investment Co., Ltd.	14,000,000	100%	0	0 %	14,000,000	100%
3. CLEVO COMPUTER SINGAPORE PTE LTD.	22,325,453	100%	0	0 %	22,325,453	100%
4. CLEVO (CAYMAN ISLANDS) HOLDING COMPANY	369,370,000	100%	0	0 %	369,370,000	100%
5. KAPOK COMPUTER(SAMOA) CORPORATION	17,000,000	100%	0	0 %	17,000,000	100%
6. BUYNOW ON-LINE HOLDING CORPORATION	1,100,000	100%	0	0 %	1,100,000	100%

