

## Operating and Execution of Promoting Corporate Governance

Item evaluated	Operation situation (Note)			Situation and causes of its difference with Corporate Governance Best Practice Principles for Listed Companies
	YES	NO	Summary documentation	
I. Does the company formulate and discloses the Corporate Governance Best Practice based on "Corporate Governance Best Practice Principles for Listed Companies"?	V		The company has formulated the "Corporate Governance Codes" according to "Corporate Governance Best Practice Principles for Listed Companies", including the provisions of guaranteeing the shareholder's equity, enhancing of functions of the Board, taking advantages of supervisor's functions, respecting stakeholder's rights and benefits, and improving information transparency. For more details, please visit the corporate website (www.chieftek.com).	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
II. Corporate equity structure and shareholders' equity				
(I) Does the company formulate the internal operation procedure to handle shareholder proposal, doubt, dispute and litigation and implements it in accordance with the procedure?	V		(I) The company has formulated related internal operation procedures such as the "Corporate Governance Code", "Integrity Management Code", "Prevention of Insider Transaction Management Measures" and "Code of Ethical Conduct" to handle the shareholders related matters. There are also spokesperson and agent spokesperson system, and the Chairman's Office and the Financial Department are in charge of the related matters, so as to guarantee the timely and proper information disclosure. In addition, the special mailbox is set up to handle shareholder's proposal, doubt, dispute and litigation affairs.	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
(II) Does the company master the principal shareholders actually controlling the company and the	V		(II) The company has stock contractors responsible for handling related matters, and is assisted by a	Meet the regulations of Corporate Governance Best

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final controller list of principal shareholders?			professional stock agency “Fubon Securities Co., Ltd.”, which can master the main shareholders and the final list of main shareholders and maintain good contact with them Relationship, and change situation of stock rights held by insiders including board directors, supervisors, managers and major shareholders holding 10% of shares is declared in MOPS as required by the competent authority in accordance with codes and regulations.	Practice Principles for Listed Companies
(III) Does the company establish and executes the risk control and firewall mechanism with the affiliated enterprise?	V		(III) The company’s internal control system covers enterprise-level risk management and operation-level operational activities, and has “Subsidiary Management Measures” to implement the risk control and firewall mechanism for subsidiaries Assets, finance and accounting of the Company and affiliated enterprise are operated independently, and the company formulates “Management on Transactions with Related Parties” handling related matters according to the regulations of the internal control system of the Company, and shall be able to really execute the risk control and firewall mechanism.	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
(IV) Does the company formulate the internal specification to prohibit the corporate insiders to buy or sell negotiable securities by using the information undisclosed in market?	V		(IV) The company formulates “Management Method to Prevent Insider Trading”, “Ethics Codes” and other internal control methods to standardize all employees, managers, board directors, supervisors and all people knowing	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies



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			about the company information based on occupation or control relation and prohibit any behavior involving insider trading and irregularly makes internal training education and advocacy.	
III. Composition and duties of the board of directors (I) Does the board of directors draft the diversification policy and implements it in terms of the member composition?	V		(1) The company has a board member diversity policy in the "Corporate Governance Code" 1. The "Corporate Governance Codes" is carried out practically. 2. Currently, all board members are specialists in various fields or personnel experienced in corporate businesses. It shall meet the diversification policy of composition of the Board and implement it in practice. 3. As required in Article 20 of the "Corporate Governance Codes": The Board of the Company shall provide instruction for the corporate strategic, and supervision management level, which shall report to the Company and the shareholder's meeting. In terms of various operations and arrangements related to corporate governance system, it shall ensure the Board to exercise rights based on the applicable laws, the regulations of the Articles of Association or the resolution of the shareholder's meeting. As for the structure of the Board, it shall consider the business development scale of the company and the shareholding of the major shareholders, as well as the practical	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies.



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			<p>demands of operation, which shall determine the appropriate number of members more than 5.</p> <p>The composition of the Board shall consider diversification. The number of directors concurrently serving as the manager shall not exceed one third of the total number. Moreover, it shall formulate appropriate diversification policies based on the business, operation pattern and development demands, including but not limited to the standards of the following two dimensions:</p> <p>(1) Basic conditions and values: gender, age, nationality, culture, and etc.</p> <p>(2) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.</p> <p>The members of the Board shall acquire the knowledge, skills and character required to exercise the rights. To achieve the ideal goal of corporate governance, the overall Board shall possess the abilities as listed below:</p> <p>(1) Operating adjustment.</p> <p>(2) Accounting and financial analysis</p> <p>(3) Business management</p> <p>(4) Crisis handling</p> <p>(5) Industrial knowledge</p> <p>(6) International market view</p> <p>(7) Leadership</p> <p>(8) Decision-making</p> <p>The diversification policies of the board composition are disclosed on the official website of the Company</p>	



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(II) Does the company voluntarily set other functional committees apart from the Remuneration committee and Audit Committee?	V		<p>and MOPS.</p> <p>4. The company amended articles of association through pass the board director meeting discussion on May 9th, 2017: Since the company listed electronic method as one of voting execution, the candidate election of board director and supervisor perform through nomination election from candidate list by board of director.</p> <p>5. Assessing the members of the 7th board of directors of the company. The current board of directors of the company is composed of 8 directors, including 5 directors and 3 independent directors. The members have extensive experience and expertise in the fields of finance, business and management. In addition, the company also pays attention to the gender equality of the members of the board of directors. The female director ratio target is more than 25%. At present, 8 directors, including 3 female directors, have a ratio of 37.5%. Please refer to the description of nine in this section for relevant implementation situations.</p> <p>(II) In order to improve the decision-making function and strengthen the management mechanism, the company has set up various functional committees in the charter, and the organizational rules of each committee are determined by the board meeting. In addition to the establishment of a remuneration committee in accordance with the law and an</p>	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies.

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(III) Does the company formulate the performance evaluation method and evaluation way of the board of directors, and regularly carries out performance evaluation each year?	V		<p>audit committee after the 2020 regular shareholders meeting, the company will also set up other functional committees at an appropriate time.</p> <p>(III) In order to implement corporate governance and enhance the functions of the company's board of directors, establish performance targets to enhance the efficiency of the board's operation, the company discussed and adopted the "Board Performance Evaluation Method" after discussion by the board of directors on February 9, 2018.</p> <p>1. 2020's performance evaluation method adopts questionnaire self-evaluation method to conduct overall internal evaluation of the board of directors and self-evaluation of individual directors:</p> <p>(1) The measurement items of the board performance evaluation include: participation in the company's operations, improving the quality of the board's decision-making, composition and structure of the board, selection and continuous training of directors, and internal control.</p> <p>(2) The measurement items of the director members' self-performance evaluation include: mastering the company's goals and tasks, director's responsibilities, participation in the company's operations, internal</p>	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies.



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			<p>relationship management and communication, professional and continuous training of directors and internal control.</p> <p>2. Internal evaluation steps: In the first stage of internal board performance evaluation, individual directors self-assessed by questionnaire, and then submitted to the chairman for the second stage evaluation and overall board self-evaluation.</p> <p>3. 2020 Internal board performance self-assessment results:</p> <p>(1) Comprehensive comments on overall board performance evaluation: The overall operation of the board of directors is mostly in line with the spirit of corporate governance.</p> <p>(2) Self-assessment score results of directors: The self-assessment results of the director's questionnaire are between "agree" and "very agree". The average result is nearly full marks, which shows that the board is functioning well and will continue to strengthen the effectiveness of the board</p> <p>(3) Application of evaluation results: According to the company's "Board Self-assessment or Peer Evaluation Operation Method", the company will use the performance evaluation results of the board of directors as the reference</p>	



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(IV) Does the company regularly evaluate the independence of certified public accountant?	V		<p>basis for selecting or nominating directors; and the performance evaluation results of individual directors are used as the reference basis for determining their individual salary and remuneration.</p> <p>In the future, the performance evaluation of the internal board of directors should be performed at least once a year, and an external professional independent institution or a team of external experts and scholars should perform the performance evaluation once every three years.</p> <p>(IV) The company's accounting department assesses the independence of CPAs regularly on a yearly basis, and reports the evaluation results to the board of directors after obtaining the CPAs' "transcendental independence statement." Only after the company confirms that the accountant and the company have no other financial interests and business relationships except for certification and taxation expenses, and members of the accountant family do not violate the independence requirements, the accountant's appointment will be reviewed.</p> <p>1. To regulate the review of CPA appointment of the Company and build good corporate governance system, Article 29 of the "Corporate Governance Codes" of the Company shall be based to evaluate the independence of CPA and handle, enhance and promote financial</p>	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies.

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			<p>report quality.</p> <p>2. The company proceeds with the review and evaluation on independence elements, independence operation, competence and so on related to CPA LIN TZU-YU and CPA LIN YONG-ZHI.</p> <p>3. All CPAs are appointed upon the resolution by the Board on March 11, 2020</p> <p>4. In order to adapt to the internal structure change of PwC Taiwan, the Board of Directors has appointed the Accounts CPA LIN YONG-ZHI and CPA TIEN ZHONG-YU as the externa; accounts after reviewed their relevant qualification and independence of practicing on the Board Meeting on February 5, 2021.</p> <p>5. The CPA review and evaluation content are listed as below:</p> <table><tr><th colspan="2">I. Review of independence elements</th><th>YES</th><th>NO</th></tr><tr><td>01</td><td>The CPA, or the spouse or a minor child thereof, has invested in the Company, or shares in financial gains therewith.</td><td>V</td><td></td></tr><tr><td>02</td><td>The CPA, or the spouse or a minor child thereof, has lent or borrowed funds to or from the Company. However, this does not apply if the client is a financial institution and the borrowing or lending is part of a normal business relationship.</td><td>V</td><td></td></tr><tr><td>03</td><td>The accounting firm doesn't present the assurance service report for the effective operation of the designed or assistive executing financial information system.</td><td>V</td><td></td></tr><tr><td>04</td><td>The CPA or the members of the Audit Service Team are not appointed as the director, or manager, or take up the post that has material influence on the audit case currently or in the last two years.</td><td>V</td><td></td></tr><tr><td>05</td><td>There is no key item of non-audit</td><td>V</td><td></td></tr></table>	I. Review of independence elements		YES	NO	01	The CPA, or the spouse or a minor child thereof, has invested in the Company, or shares in financial gains therewith.	V		02	The CPA, or the spouse or a minor child thereof, has lent or borrowed funds to or from the Company. However, this does not apply if the client is a financial institution and the borrowing or lending is part of a normal business relationship.	V		03	The accounting firm doesn't present the assurance service report for the effective operation of the designed or assistive executing financial information system.	V		04	The CPA or the members of the Audit Service Team are not appointed as the director, or manager, or take up the post that has material influence on the audit case currently or in the last two years.	V		05	There is no key item of non-audit	V		
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				service provided by the Company that will show direct influence on the audit case.				
			06	The CPA or the members of the Audit Service Team is no engaged in the publicity or brokerage for the shares or other securities issued by the Company.	V			
			07	Except for the businesses permitted by laws, the CPA or the members of the Audit Service Team doesn't serve as the defender for the Company, or coordinate the conflict with a third party on behalf of the Company.	V			
			08	The CPA or the members of the Audit Service Team has relationship of spouse, direct kinship, direct affinity or sub blood kinship within two degrees with the personnel who are appointed as the director or manager of the Company or take up the post that shows material influence on the audit case.	V			
			09	A former partner of CPA doesn't serve as the director or manager of the Company or take up the post that shows material influence on the audit case within one year of the disappointment.	V			
			10	The CPA or the members of the Audit Service Team doesn't accept valuable gifts or preferential treatment from the Company, the director, manager, or major stockholder.	V			
			11	The CPA is not employed by the client or the audit subject to take up a regular post with fixed payment or is appointed as director or supervisor.	V			
			12	Publicly listed companies: The CPA doesn't provide audit service for the Company for 7 consecutive years.	V			
			II. Review of independence operation					
			01	The CPA shall avoid and shall not accept the engagement when s/he may have involved in any direct or material indirect interests which may impair their impartiality and independence.	V			
			02	The CPA shall maintain Independence of Mind and in Appearance in the work of assurance services including an audit or review of financial statements, or a special audit case.	V			
			03	The members of audit team, the CPA partners or shareholders of corporate accounting firms, accounting firms, and any of affiliates, and network firms, must be always independence with the Company.	V			

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			04	The CPA shall provide professional service based on straightforward and prudent attitude.	V		
			05	When providing professional service, the CPA shall be unbiased and objective, and avoid bias, conflict of interest or stakes to override professional or business judgments.	V		
			06	The CPA shall be always honest, unbiased and objective which shall not be influenced due to the lack of independence.	V		
			III. Review of competence				
			01	The CPA has no disciplinary records of the Disciplinary Commission of the CPA in the last two years.	V		
			02	The Accounting Firm has adequate scale, resources and coverage for handling enterprise audit service.	V		
			03	The Accounting Firm has clear quality control procedure, which shall cover the levels and key points of audit procedures, the method of handling audit issues and judgment, independent quality control review and risk management.	V		
			04	The Accounting Firm shall timely notify the Board (the Audit Committee) of the significant issues and development in terms of the risk management, corporate governance, financial & accounting and the related risk control.	V		
IV. Does the publicly listed company set up special (concurrent) unit or personnel responsible for the corporate governance related affairs (including not limited to providing the data required by the directors and supervisors to implement business, dealing with the matters related to the board meeting and shareholders’ meeting, handling the corporate registration and change registration, making minutes of board meeting and shareholders’ meeting)?	V		On March 23, 2017, the board of directors discussed and approved the use of the Ministry of Finance as a full-time (part-time) unit for corporate governance. On May 2, 2019, the board of directors discussed and approved that CFO Lee, Bo-Tsang is the director of corporate governance, responsible for corporate governance-related matters, while cooperating with the chairman’s office and various departments provide necessary assistance to protect shareholders ’rights and strengthen the functions of the board of directors. Chief Financial Officer Lee, Bo-Tsang has more than three years of				Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies



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			<p>experience in the management of legal affairs and other public offering companies. The main responsibility of corporate governance personnel is to provide directors and supervisors with information required to execute business, assist directors and supervisors to comply with laws and regulations, and handle matters related to board of directors and shareholders' meetings in accordance with law. The business performance in 2020 is as follows:</p> <ol style="list-style-type: none"> <li>1. Assist independent directors and general directors to perform their duties, provide necessary information and arrange directors' further training: <ol style="list-style-type: none"> <li>(1) Regularly notify the members of the board of directors regarding the revision and development of the latest laws and regulations related to the company's business field and corporate governance.</li> <li>(2) Review the level of relevant information confidentiality and provide company information required by directors to maintain smooth communication and communication between directors and business executives.</li> <li>(3) In accordance with the Corporate Governance Code of Conduct, independent directors meet with internal audit supervisors or visa accountants individually to understand the company's financial business needs and assist in arranging related meetings.</li> <li>(4) Assist independent directors and general directors in formulating annual refresher plans and</li> </ol> </li> </ol>	



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			<p>arranging courses in accordance with the company's industrial characteristics, directors' academic and experience background.</p> <p>2. Assist the board of directors and shareholders in meeting procedures and resolution compliance matters:</p> <p>(1) Report to the board of directors, independent directors, and supervisors on the company's corporate governance operations and confirm whether the company's shareholders' meeting and directors' meeting comply with relevant laws and corporate governance codes.</p> <p>(2) Assist and remind the directors of the laws and regulations that should be observed when performing business or making a formal resolution of the board of directors, and make suggestions when the board of directors will make a illegal resolution.</p> <p>(3) After the meeting, it is responsible for reviewing the important information release matters of important resolutions of the board of directors, ensuring the legality and correctness of the content of the important information, so as to protect the investor's transaction information equivalence.</p> <p>3. Maintain investor relations: Arrange exchanges and communication between directors and major shareholders, institutional investors or general shareholders as necessary, so that investors can obtain sufficient information to evaluate and determine the reasonable capital market value of</p>	



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			<p>the enterprise, and protect shareholders' rights and interests.</p> <p>4. To draw up the agenda of the board of directors, notify the directors seven days ago, convene the meeting and provide meeting materials, and give advance reminders if the topic needs to be avoided, and complete the minutes of the board meeting within seven days after the meeting.</p> <p>5. Handle pre-registration of shareholders' meeting date in accordance with the law, prepare meeting notices, discussion manuals, and minutes of proceedings within the statutory time limit, and handle changes in registration by revising the articles of association or re-election of directors</p> <p>6. In order to implement corporate governance, regularly conduct the performance evaluation of directors and the overall board of directors.</p> <p>7. Added "Operating Procedures for Dealing with Directors' Requests"</p>	
V. Does the company establish the communication channel with the interested parties (including but not limited to the shareholders, employees, customers and suppliers), sets the interested party zone on the corporate website, and properly responds the corporate social responsibility issues concerned by the interested parties?	V		<p>The company establishes a spokesperson, agent spokesperson and investor relations liaison in accordance with the law, and sets up a stakeholder area on the company's website to expose the channel information and contact information of complaints other than investors and properly respond to the concerns of stakeholders CSR issues.</p> <p>The company's operations on issues of concern to stakeholders:</p> <p>1. Creditors:</p> <p>In addition to regularly providing sufficient financial information to the correspondent banks, and</p>	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies



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			<p>having someone in charge of communication and communication, the company's operating and financial status will be fully and transparently disclosed.</p> <p>2. Customers: Frequent interactions with customers, in addition to regular visits by dedicated business leaders, and dedicated lines and the Internet to establish a customer relationship management system.</p> <p>3. Supplier: Committed to maintaining a harmonious relationship with third-party manufacturers, and achieving mutual benefit in the process of mutual learning and growth</p> <p>4. Investors: The company immediately publishes the information on the public information observatory and the company's website, and has a spokesperson and agent spokesperson mechanism. Investors who still feel insufficient about the information provided by the company or need more detailed understanding can use the dedicated line or e-mail contact.</p> <p>5. Government: Follow the laws and regulations, continue to operate, and actively give back to the society.</p> <p>6. Employees: The company maintains close relations with employees through communication channels such as labor-management meetings and</p>	

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			grievance systems. Through good corporate culture, retain outstanding talents and work hard with employees.	
VI. Does the company entrust the professional stock service agent to handle the affairs of shareholder meeting?	V		The company has entrusted the professional service agent- Fubon Securities Co., Ltd to handle the shareholders' meeting affairs and various share affairs of the company.	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
VII. Information disclosure (I) Does the company set up the website, discloses the financial business and corporate governance information?	V		(I) The company has set website ( <a href="http://www.chieftek.com">www.chieftek.com</a> ) to introduce the company, related financial business and corporate governance information.	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
(II) Does the company implement other forms of information disclosure (for instance, setting English website, assigning special person to take charge of collection and disclosure of corporate information, implementing spokesperson system, placing the corporate explanation meeting on the corporate website)?	V		(II) The company's website has Chinese, English, and Japanese pages, as well as a spokesperson, agent spokesperson, and investor relations liaison, and a person is assigned to collect information about the company's finances, business, and corporate governance. It is detailed, correct, and timely Disclosure of the company's operating performance, operating conditions and major information, and the spokesperson and acting spokesperson will make a unified external statement and expose the information on the company's website for the convenience of inquiries	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies
(III) Does the Company publish and release its it annual financial report within two months since the end of fiscal year and announce and submit its financial reports of the first three quarters of the year and the review of operation in each month?			(III) The Company has announced and submitted the annual financial report two months after the end of accounting fiscal year on 25 February, 2021. The Company has also released the report of the first 3 quarters of 2020 and the operation report for each month.	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies



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VIII. Does the company has other important information to help understand the corporate governance operation situation (including but not limited to rights and interests of employees, employee caring, investor relations, supplier relationship, right of interested party, study situation of board directors and supervisors, execution situation of risk management policy and risk measurement standard, execution situation of customer policy, situation of liability insurance purchased by the company for board directors and supervisors)?	V		<p>(I) Rights and interests of employees: with the establishment of healthy and safe work environment as the duty, the company abides by the corporate social responsibility policy and environmental and occupational health and safety regulations, implements emission reduction and energy saving, guarantees employee benefit and operation safety, and safeguards legitimate interest of employees according to the Labor Standard Law.</p> <p>(II) Employee caring: Measures like tidying work environment, guaranteeing personal safety, regularly implementing employees' health examination, arranging consultation of occupational physician are adopted, besides, employee life is enriched by welfare system and excellent educational training system, finally establishing a good relation with mutual trust and interdependence.</p> <p>(III) Investor relations: The company honestly discloses the company information according to the related regulations to ensure basic rights and interests of investors, fulfills its duty to shareholders, handles the suggestions of shareholders through the company spokesperson and agent spokesperson, sets "investors zone" on the company website to help investors understand the financial and business situation of the company, replies the questions of shareholders in detail, increases the communication with investors of professional institutes and promotes transparency of the company operation.</p> <p>(IV) Supplier relationships: The company exchanges experience with suppliers concerning environment, health, safety, enterprise social responsibility and other related issues, and maintain a smooth communication channel and good relationship with suppliers.</p>	Meet the regulations of Corporate Governance Best Practice Principles for Listed Companies



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			<p>(V) Rights of interested parties: The company discloses the company financial and business information according to regulations besides, correspondent banks, creditors, employees, shareholders and other interested parties may understand the company operation situation through the company spokesperson and agent spokesperson. Moreover, it sets the "interested party zone" on the official website to disclose the channel and contact information for complaints made by others rather than the investors, and properly responds the enterprise social responsibility issues concerned by the interested parties.</p> <p>(VI) Study situation of board directors and supervisors: To implement the corporate governance system, the company actively notices board directors and supervisors of corporate governance information and study message, besides, the 6th session of board directors and supervisors have studied in accordance with "Practicable Main Points for Board Directors and Supervisors of Listed Companies"; please see the following table for detail.</p> <p>(VII) Execution situation of risk management policy and risk measurement standard:</p> <p>(1) The company's major operational policies, investment cases, acquisition or disposal of assets, endorsement guarantees, capital loans and other matters are evaluated and analyzed by the relevant authority and can only be implemented after the resolution of the board of directors is passed.</p> <p>(2) The Audit Office draws up and implements an annual audit plan based on the results of the risk assessment, and implements the supervision mechanism and controls various risks.</p>	



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			<p>(VIII) Execution situation of customer policy: The company maintains a stable and good relation with clients, attaches great importance to the customer satisfaction and takes the promotion of client value and competitive power as target. Apart from mastering and checking the delivery situation at any time and conducting real-time improvement, the company also regularly conducts the satisfaction survey for clients, striving to become the long-term partner of clients' career and creating a win-win result.</p> <p>(IX) The company purchased liability insurance for directors and supervisors: The company has purchased liability insurance for directors, supervisors and managers, and submitted a report of the board of directors on November 3, 2020.</p>	

10. The directors, supervisors and managers of the company participated in the training in 2020, and all the directors and supervisors have obtained the 6 hour training certificate. The training situation is as follows:

Job Title	Name Sponsor	Sponsor	Refresher course	Study hours
Board Director	CHEN LI-FEN	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Board Director	HSU MING-CHE	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Board Director	CHENG SHENG-FEN	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Board Director	WANG CHEN PI-HSIA	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Board Director	Li An	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Independent Director	HO MING-ZIH	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Independent Director	WU CHUNG-JEN	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3
Independent Director	WEI NAI-CHANG	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
			ESG Economy Trend	3



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Job Title	Name Sponsor	Sponsor		Refresher course	Study hours
Chief Financial Officer	LI PAI-TSANG	National Cheng Kung University		Taiwanese Business Global Strategy 2	3
		National Cheng Kung University		Commercial Bribery and Whistleblowing Act	3
		National Cheng Kung University		Practice of Tax Management	3
		National Cheng Kung University		The latest IFRS accounting bulletin seminar	3
Audit Manager	ZHENG XIU-YUE	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
		Taiwan Internal Auditing Association		Practice and Regulations after the Newly Amended Company Law	6
Chief Officer in Corporate Governance	LI PAI-TSANG	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
		Taiwan Securities Counter Trading Center		2020 Corporate Governance Conference	3
		Taiwan Corporate Governance Association		The 16th Taipei Corporate Governance Forum	3
Board Director	CHEN LI-FEN	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Board Director	HSU MING-CHE	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Board Director	CHENG SHENG-FEN	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Board Director	WANG CHEN PI-HSIA	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Board Director	Li An	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Independent Director	HO MING-ZIH	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Independent Director	WU CHUNG-JEN	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3
Independent Director	WEI NAI-CHANG	Taiwan Corporate Governance Association		Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association		ESG Economy Trend	3

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Item evaluated	Operation situation (Note)			Situation and causes of its difference with Corporate Governance Best Practice Principles for Listed Companies
	YES	NO	Summary documentation	

Job Title	Name Sponsor	Sponsor	Refresher course	Study hours
Chief Financial Officer	LI PAI-TSANG	National Cheng Kung University	Taiwanese Business Global Strategy 2	3
		National Cheng Kung University	Commercial Bribery and Whistleblowing Act	3
		National Cheng Kung University	Practice of Tax Management	3
		National Cheng Kung University	The latest IFRS accounting bulletin seminar	3
Audit Manager	ZHENG XIU-YUE	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association	ESG Economy Trend	3
		Taiwan Internal Auditing Association	Practice and Regulations after the Newly Amended Company Law	6
Chief Officer in Corporate Governance	LI PAI-TSANG	Taiwan Corporate Governance Association	Taiwanese Business Global Strategy 2	3
		Taiwan Corporate Governance Association	ESG Economy Trend	3
		Taiwan Securities Counter Trading Center	2020 Corporate Governance Conference	3
		Taiwan Corporate Governance Association	The 16th Taipei Corporate Governance Forum	3

IX. Detail the improvement based on the corporate governance assessment result announced by the TWSE Corporate Governance Center in the latest year; propose the urgent matters and actions for the items not improved:

The Taiwan Stock Exchange Co., Ltd. Corporate Governance Center's third corporate governance evaluation results were specially awarded with the "Progress Award" for encouragement, and were ranked in the fourth, fifth and sixth corporate governance evaluation results. The distances are in the range of 6% to 20%. It can be seen that the company continues to work hard in the field of corporate governance, not only receiving the affirmation of the evaluation system, but also not receiving the items or measures that should be improved or should be prioritized.

In addition, the company has begun to study the improvement or priority enhancement items and measures for the evaluation indicators that have not been scored in the sixth corporate governance evaluation as follows

Unscored evaluation index	Improved or prioritized enhancements and measures
If the company pays dividends in the year under review, will it be paid within 30 days after the ex-dividend base date?	It is listed as a priority improvement plan and is expected to be released within 30 days after the ex-dividend benchmark date this year.



Item evaluated	Operation situation (Note)		Situation and causes of its difference with Corporate Governance Best Practice Principles for Listed Companies	
	YES	NO		Summary documentation
Unscored evaluation index				Improved or prioritized enhancements and measures
If the company pays dividends in the year under review, will it be paid within 30 days after the ex-dividend base date?				It is listed as a priority improvement plan and is expected to be released within 30 days after the ex-dividend benchmark date this year.
Does the company formulate a policy for diversification of board members and expose the implementation of the diversity policy on the company’s website and annual report?				Improved, please refer to the table below.
Does the company have an audit committee that meets the requirements?				It is expected that the audit committee will be established after the shareholders complete the re-election of the board in 2020.
Does the company disclose in the annual report the reasons for the discussion and resolution of the Remuneration Committee and the company’s handling of members’ opinions?				Improved
Does the company disclose the communication of independent directors with internal audit supervisors and accountants (such as the methods, events and results of the company’s financial reports and financial business status) on the company’s website?				Improved
Has the company’s board of director performance evaluation measures been approved by the board of directors, clearly stipulating that the external evaluation shall be carried out at least every three years, and the evaluation shall be carried out in accordance with the time limit set by the method, and the execution status and evaluation results will be disclosed on the company's website or annual report?				1. The company discussed and passed the “Board Performance Evaluation Method” on February 9, 2018, and stated in Article 3 of the “Board Performance Evaluation Method” that the implementation of the company’s board performance evaluation shall be independent by external professionals every three years Institutions or external teams of experts and scholars perform the assessment once and perform the performance assessment for the year at the end of the year. 2. The company’s board of directors completed its 2019 self-assessment in early 2020 and disclosed it on the company’s website.
Does the company build an information security risk management framework, formulate information security policies and specific management plans, and expose them on the company’s website or annual report?				Improving
Does the company refer to international human rights conventions to formulate human rights protection policies and specific management plans, and expose them on the company’s website or annual report?				Improving.



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Item evaluated	Operation situation (Note)			Situation and causes of its difference with Corporate Governance Best Practice Principles for Listed Companies												
	YES	NO	Summary documentation													
Board Members' Diversification Implementation Situation																
Core Diversification Items  Directors' Name	Nationality	Gender	Hold Concurrent Corporate Posts	Basic Composition					Professional Background							
				50~60	61~70	71~80	Under 3 Years	3~9 Years Over	9 Years	Industry	Financial	Marketing	Technology	Accounting	Information	
CHEN, LI-FENG	Republic of China	F	✓		✓					✓	✓	✓	✓			
HSU, MING-CHE	Republic of China	M	✓		✓					✓	✓		✓	✓		
LI AN	Republic of China	F				✓			✓		✓			✓		✓
WANG CHEN BI HSIA	Republic of China	F				✓				✓	✓	✓			✓	
CHENG, SHEN-FANG	Republic of China	M			✓					✓	✓	✓	✓		✓	
HO, MING-ZI	Republic of China	M		✓					✓		✓			✓		
WEI, NAI-CHANG	Republic of China	M			✓					✓	✓	✓		✓	✓	
WU, CHUNG-REN	Republic of China	M		✓						✓	✓	✓	✓	✓		

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