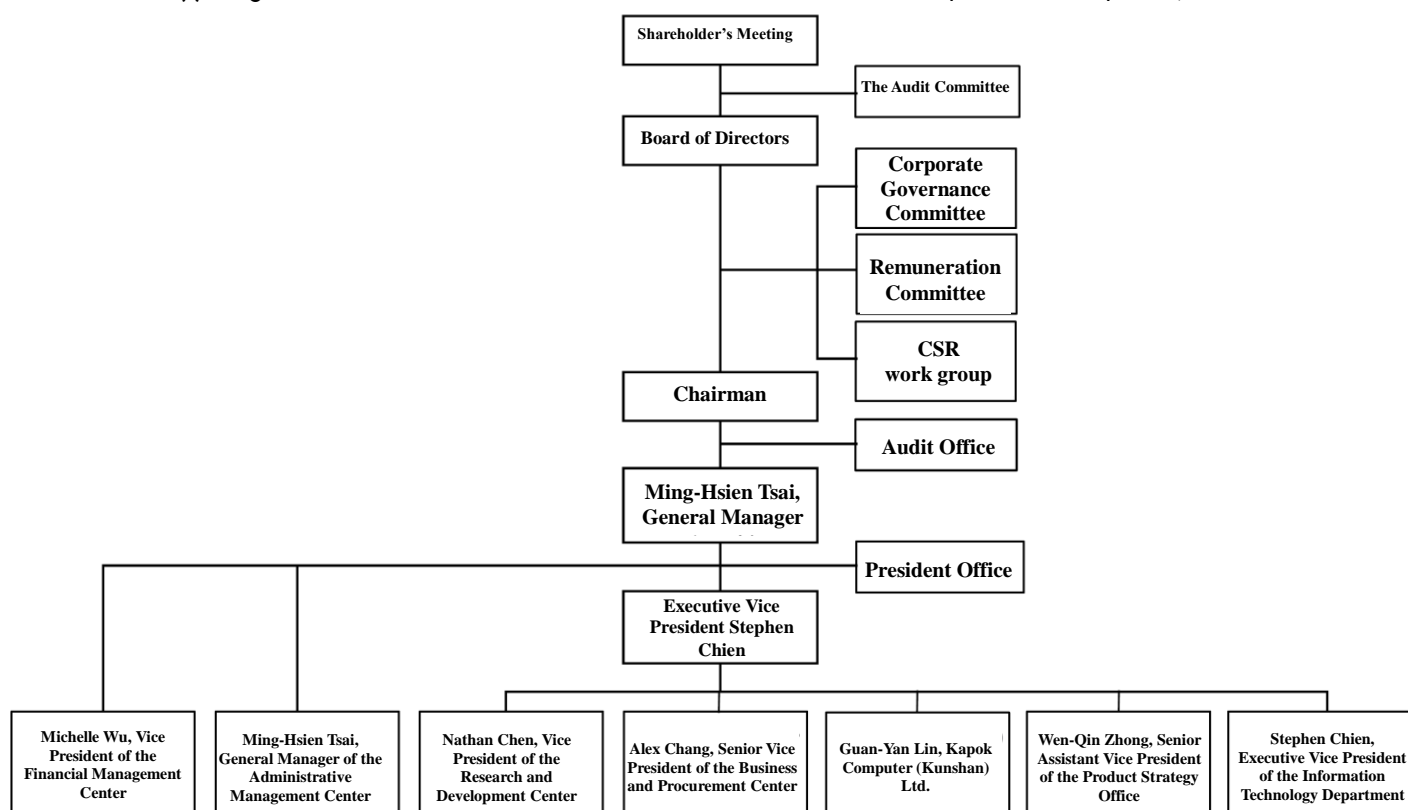


III. Corporate Governance Report

I. Organization System

(I) Organizational structure

table produced on April 30, 2021



(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.

Name of Department	Responsible Business
Kapok Computer (Kunshan) Ltd.	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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. Name of Directors and Supervisors, Their Main Experiences (Education), Current Other Positions for the Company and Other Companies Concurrently, And Other Relevant Information

April 19, 2021

Title (Note 1)	Nationality/Place of Registration	Name	Sex	Date Elected (Assumed)	Term	Initial election date (Note 2)	Shareholding When Elected		Current Shareholding		Current Shareholding by the Spouse and Minor Children		Shareholding Under Other Persons' Names		Education and Experience (Note 3)	Current Other Positions for the Company and Other Companies Concurrently	Executives, Directors or Supervisors Who Are Spouses or Within Second-Degrees of Kinship			Note (4)
							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	June 15, 2018	3 Years	October 4, 1983	51,701,335	7.57%	51,701,335	7.84%	16,371,784	2.48%	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(2385) Chairman, the Group of Buynow Chairman, Chicony Plaza Department Store Chairman, Hongwell Group Chairman, Taipei Twin Towers Limited	-	-	-	-
Vice Chairman and President	R.O.C.	Tsai, Ming-Hsien	Male	June 15, 2018	3 Years	May 27, 1993	10,149,224	1.49%	10,084,224	1.53%	3,054,593	0.46%	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. President, the Buynow Group	President, the Company Director, Clevo Investment Co., Ltd. Chairperson and General Manager, 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	-	-	-	-
Director	R.O.C.	Lu, Jin-Zong	Male	June 18, 2019	Two years	June 12, 2003	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.	General Manager, Chicony Electronics Co., Ltd. Legal Representative Chairman of Chicony Power Technology Co., Ltd., Zhanda Communication Co., Ltd., and Youkang Electronics Co., Ltd. Legal Representative Director of Hipro Electronics Co., Ltd.; Guangsheng Investment Co., Ltd.; Qunjing Power Technology Co., Ltd.; and Newmax Technology Co., Ltd. Director, Subsidiary of Chicony Overseas Group Director and Secretary, Chicony U.S.A. Director and General Manager, Chicony Electronics (Dongguan) Director and Supervisor, Maorui Electronics Director, Chicony Electronics (Chongqing) Legal Representative Director of Shun On Electronic Co., Ltd.	-	-	-	-
Director	R.O.C.	Chien, Yih-Long	Male	June 15, 2018	3 Years	June 15, 2012	1,673,376	0.24%	1,673,376	0.25%	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	Date Elected (Assumed)	Term	Initial election date (Note 2)	Shareholding When Elected		Current Shareholding		Current Shareholding by the Spouse and Minor Children		Shareholding Under Other Persons' Names		Education and Experience (Note 3)	Current Other Positions for the Company and Other Companies Concurrently	Executives, Directors or Supervisors Who Are Spouses or Within Second-Degrees of Kinship			Note (4)
							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	June 15, 2018	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, the Company Independent Director, ITEQ Corporation	-	-	-	-
Independent Director	R.O.C.	Chen,Tsung-Ming	Male	June 15, 2018	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.	Independent Director, the Company Director, Zippy Materials Science Inc. Chairman, Betterment Co., Ltd.	-	-	-	-
Independent Director	R.O.C.	Lai,Ling-Ming	Female	June 19, 2020	1 year	June 19, 2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	MBA, University of Liège, Belgium General Manager, Chinese Business, AON RISK SERVICES AUSTRALIA (SYDNEY) Chairman, AON RISK SERVICES TW Chairman, Toro Biotech Co., Ltd.	Independent Director, the Company Chairman, Toro Biotech 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: Fill in the time period of the first term serving as a director or supervisor of the Company. Please state and explain if there the serving term is discontinued.

* 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 3: 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 4: If Chairman and General Manager or equivalent (Chief Operating Officer) are the same person, spouse or relative of one degree to each other, please provide the reason, rationale, necessity and responding measures (e.g., addition of independent directors; over half of the directors not employees or managers).

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

1.3 Whether the Directors or Supervisors Have at Least Five Years of Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company, and Meet the Following Circumstances Listed

December 31, 2020

Full name (Note 1)	Criteria	Have at Least Five Years Work Experience and Meet the Following Professional Qualification			Independence Criteria (Note 2)												Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Required by the business of the Company in a Public or Private Junior College, College or University	A Judge, Public Prosecutor, Attorney, CPA, or Other Professional or Technical Specialist Who Has Passed a National Examination and Has Been Awarded a Certificate in a Profession Necessary for the Business of the Company	Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	1	2	3	4	5	6	7	8	9	10	11	12	
Hsu,Kun-tai			V					V		V	V		V	V	V	V	None
Tsai,Ming-Hsien			V					V	V	V	V	V	V	V	V	V	None
Lu,Jin-Zong			V				V	V	V	V	V		V	V	V	V	None
Chien,Yih-Long			V				V	V	V	V	V	V	V	V	V	V	None
Chou,Po-Chiao		V	V		V	V	V	V	V	V	V	V	V	V	V	V	1
Chen,Tsung-Ming			V		V	V	V	V	V	V	V	V	V	V	V	V	None
Lai,Ling-Ming		V	V		V	V	V	V	V	V	V	V	V	V	V	V	None

Note 1: The number of columns shall be adjusted upon the actual number.

Note 2: Please tick “ ” on the following blank space of the corresponding criteria that apply to the directors or supervisors during two years prior to being elected or during the term of office.

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of the Company or any of its affiliates (excluding the situation where the same independent director also serves on the board of its parent, subsidiary or subsidiary under the same parent according to laws or local regulations)
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship, of any of the above persons listed in Subparagraph (2) and (3) or of the manager listed in (1).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (6) Not a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, or its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (7) Not the Chairman, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company are the same person or are spouses: a director, supervisor, or employee of that other company (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).

- (8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares, of a specified company or institution which has a financial or business relationship with the Company (however, it is not applicable in cases that if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company and where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer and their spouse of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation not exceeding NTD 500,000. However, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.
- (11) Not having one of the circumstances stated in Article 30 of the Company Act.
- (12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.

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

April 19, 2021

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 Chairman and General Manager, Kapok Computer Co., Ltd.	R.O.C.	Tsai, Ming-Hsien	Male	January 1999	10,084,224	1.53%	3,054,593	0.46%	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. 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	-	-	-	-
Executive Vice President	R.O.C.	Chien, Yih-Long	Male	August 2003	1,673,376	0.25%	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 MBA Program Curriculums, Finance, Vice President of Finance and Accounting Office, Clevo Co.	None	-	-	-	-
Vice President	R.O.C.	Li, Wen-Hua	Male	December 2004	160,538	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	94,000	0.01%	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	0.000%	0	0.00%	Department of Mass Communications, Private Chinese Culture University Engineer, Phihong Technology Senior Assistant Vice President, Kunshan factory, 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.	Wang,Feng-Zhu	Female	May 2005	260,311	0.04%	59,324	0.01%	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	-	-	-	-
Senior Assistant Vice President	R.O.C.	Zhang,Wen-Song	Male	September 2003	261,236	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.	Chung,Wen-Chin	Male	August 2003	20,000	0.003%	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, Liang-Shih	Male	November 2007	228,716	0.03%	18,790	0.003%	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.	Liang-Shih Lin	Male	September 2012	65,825	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	-	-	-	-
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 Director of Research and Development Center, Clevo Co.	None	-	-	-	-

Note 1: It should include the general manager, deputy general manager, assistant vice president, supervisors of all departments and divisions, and the information for any position that is equivalent to the general manager, deputy general manager 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 general manager 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 President in the Most Recent Year

(I) 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: NTD 1,000

Title	Full name	Remuneration of Directors								Ratio of Total Remuneration (A+B+C+D) to 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 (Note 7)
Chairman	Hsu,Kun-tai	0	0	0	0	7,700	7,700	1,735	1,735	1.41%	1.41%
Vice Chairman and President	Tsai,Ming-Hsien										
Director	Lu,Jin-Zong										
Director and Executive Vice President	Chien,Yih-Long										
Independent Director	Chou,Po-Chiao										
Independent Director	Chen,Tsung-Ming										
Independent Director	Lai,Ling-Ming (Appointment date: June 19, 2020)										
Independent Director	Kuang-Sung Fan (Dismissed date: 2020.04.01)										

Title	Full name	Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to 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 consolidated financial statements (Note 7)	
Amount of Cash	Amount of Stock					Amount of Cash	Amount of Stock					
Chairman	Hsu,Kun-tai	10,885	38,018	201	201	8,300	0	8,300	0	4.32%	8.39%	None
Vice Chairman and President	Tsai,Ming-Hsien											
Director	Lu,Jin-Zong											
Director and Executive Vice President	Chien,Yih-Long											
Independent Director	Chou,Po-Chiao											
Independent Director	Chen,Tsung-Ming											
Independent Director	Lai,Ling-Ming (Appointment date: June 19, 2020)											
Independent Director	Kuang-Sung Fan (Dismissed date: 2020.04.01)											

1. 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.

2. Except for the disclosure of the above table, any remuneration of the directors of the Company is derived from the service for companies in the consolidated financial statements (e.g. non-employee's consultant etc.) in the most recent year: None.

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)	Companies in the consolidated financial statements (Note 9) I
Under NTD 1,000,000	Kuang-Sung Fan	Kuang-Sung Fan	Kuang-Sung Fan	Kuang-Sung Fan
NTD 1,000,000 ~ NTD 1,999,999	Lu,Jin-Zong/Chou,Po-Chiao/Chen,Tsung-Ming/Lai,Ling-Ming/Chien,Yih-Long/Hsu,Kun-tai/Tsai,Ming-Hsie	Lu,Jin-Zong/Chou,Po-Chiao/Chen,Tsung-Ming/Lai,Ling-Ming/Chien,Yih-Long/Hsu,Kun-tai/Tsai,Ming-Hsie	Lu,Jin-Zong/Chou,Po-Chiao/Chen,Tsung-Ming/Lai,Ling-Ming	Lu,Jin-Zong/Chou,Po-Chiao/Chen,Tsung-Ming/Lai,Ling-Ming
NTD 2,000,000 ~ NTD 3,499,999				
NTD 3,500,000 ~ NTD 4,999,999				
NTD 5,000,000 ~ NTD 9,999,999			Hsu,Kun-tai/Chien,Yih-Long	Hsu,Kun-tai
NTD 10,000,000 ~ NTD 14,999,999			Tsai,Ming-Hsien	Chien,Yih-Long
NTD 15,000,000 ~ NTD 29,999,999				
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	8 people	8 people

Note1: 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.

* 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: NTD 1,000

Title	Full name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and Special Allowances (C) (Note 3)		Total Employee Remuneration (Note 4)				Ratio of Total (A+B+C+D) to 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 consolidated financial statements (Note 5)	
								Amount of Cash	Amount of Stock	Amount of Cash	Amount of Stock			
Vice Chairman and President	Tsai,Ming-Hsien	14,544	24,697	1,282	1,282	3,956	30,038	16,710	0	16,710	0	5.47%	10.90%	None
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 (Appointment date: August 1, 2021)													

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	Li,Wen-Hua/Wu,Mai/Lin,Nan-Sheng/Lin,Kuan-Yen	
NTD 3,500,000 ~ NTD 4,999,999	Zhang, Fu-Ming	Wu,Mai/Lin,Nan-Sheng/Lin,Kuan-Yen
NTD 5,000,000 ~ NTD 9,999,999	Chien,Yih-Long/Chen,Hsueh-Wen/ Tsai,Ming-Hsien	Chen,Hsueh-Wen/Zhang, Fu-Ming/Li,Wen-Hua
NTD 10,000,000 ~ NTD 14,999,999		Chien,Yih-Long
NTD 15,000,000 ~ NTD 29,999,999		Tsai,Ming-Hsien
NTD 30,000,000 ~ NTD 49,999,999		
NTD 50,000,000 ~ NTD 99,999,999		
Over NTD 100,000,000		
Total	10 people	10 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 General Manager 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) Names of Managers Who are Distributed the Employees' Compensation and Its Distribution Status

Unit: NTD 1,000

December 31, 2020

	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	23,480	23,480	3.52%
	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 (Appointment date: August 1, 2021)				
	Senior Assistant Vice President	Zhang,Wen-Song Wang,Feng-Zhu Chung,Wen-Chin Lin, Liang-Shih Chung,Wen-Chin Lin,Liang-Shih				
	Assistant Vice President	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.

(V) Analyze the ratio of total remuneration paid to the directors, supervisors, presidents and vice presidents of the Company in the latest 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; and explain the policies, standards and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and future risk:

1. The ratio of 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	2019				2020			
	Total Remuneration (NTD 1,000)		Ratio to Net Income (%)		Total Remuneration (NTD 1,000)		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)	14,680	14,680	1.37%	1.37%	9,435	9,435	1.41%	1.41%
President Vice President (Note 2)	38,160	85,520	3.57%	8.01%	32,651	71,637	4.90%	10.74%
Total	52,840	100,200	4.94%	9.38%	42,086	81,072	6.31%	12.16%

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. 39: Accounting Standards for Stock-based Payments in the Republic of China Financial Accounting Standards.

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and future risk:
 - (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.

IV Implementation of Corporate Governance

(I) Information of the Board of Directors Operation

The Board of Directors convened a total of six meetings (A) in 2020. The attendance record of directors and supervisors is as follows:

Title	Name (Note 1)	Attendance in Person (B)	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%	New appointment date: June 19, 2020
Independent Director	Kuang-Sung Fan	1	0	100%	(Dismissed date: April 1, 2020)

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: June 19, 2020
Directors: Hsu,Kun-tai , Tsai,Ming-Hsien , Lu,Jin-Zong, Chien,Yih-Long
Proposal: Distribution of remunerations to directors for 2019
Reason for recusal due to conflict of interest: Chairman Hsu,Kun-tai , Vice Chairman 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.
Participation in voting: Except the directors (Mr. Hsu,Kun-tai , Mr. Tsai,Ming-Hsien , Mr. Lu,Jin-Zong and Mr. Chien,Yih-Long) recused themselves from the discussion and voting due to conflict of interest, all other directors agreed with the proposal without any objection.
- ◆ Board meeting date: June 19, 2020
Directors' names: Chou,Po-Chiao ; Chen,Tsung-Ming
Proposal: Distribution of remunerations to independent directors for 2019
Reason for recusal due to conflict of interest:Independent directors Chou,Po-Chiao and Chen,Tsung-Ming did not participate in voting due to conflict of interest.
Participation in voting:Except the independent directors (Mr. Chou,Po-Chiao and Mr. Chen,Tsung-Ming) recused themselves from the discussion and voting due to conflict of interest, all other directors agreed with the proposal without any objection.pt
- ◆ Board meeting date: June 19, 2020
Director: Tsai,Ming-Hsien , Chien,Yih-Long
Proposal: Distribution of remunerations to employees for 2019 °
Causes for Avoidance: Vice chairman Tsai,Ming-Hsien and director Chien,Yih-Long who are the stakeholders and did not participate in the voting due to avoidance of conflict of interest.
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.

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	From January 1, 2020 to 2020/12/31	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	From January 1, 2020 to 2020/12/31	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	From January 1, 2020 to 2020/12/31	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 has completed the self-assessments by the board, individual board members and functional committees in 2020 and reported the evaluation results to the board on March 26, 2021. The assessment results are detailed on page 46-48 of the annual report.

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 corporate governance effectiveness and corporate business profile, the Company's board on November 12, 2020 approved the formulation of the Corporate Governance Committee Charter and the establishment of the Corporate Governance Committee with directors Mr. Tsai, Ming-Hsien, Mr. Chien, Yih-Long and three independent directors Mr. Chou, Po-Chiao, Mr. Chen, Tsung-Ming and Ms. Lai, Ling-Ming to serve as committee members. The Corporate Governance Committee submitted to the board on February 19, 2021 for approval of the 2021 implementation plan. Its overall functioning is robust, effectively contributing to the board's duties and responsibilities.

(II) Effectiveness assessment of the board and functional committees

The Company has completed the performance review of the board for 2020 and submitted the assessment report to the board on March 26, 2021, in order to enhance the board's duties and responsibilities. The overall functioning of the board is healthy. Please refer to page 46-48 of the annual report for the details of the assessment results.

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 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, 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.

2020 Activity Highlights

(1) Review the financial report

The board has prepared and presented the 2019 financial statements (including consolidated financial statements) and these financial statements were audited by CPA Feng, Min-Juan and CPA Wu, Han-Qi of PwC Taiwan. The financial statements along with the finalized statements, business report and earnings distribution proposal were reviewed and approved by the Audit Committee on March 31, 2020, resolved and approved by the board on March 31, 2020, and ratified by the 2020 general shareholders' meeting.

(2) Evaluate the effectiveness of internal control system

Audit Committee evaluates the effectiveness of the Company's internal control system policies and procedures (including finance, business operation, risk management, information security, outsourcing, and legal compliance control measures), and reviews and audits the Company's audit department and certified accountants, as well as the periodic reports from the management levels, including risk management and legal compliance. The online evaluation for the design and implementation of the Company's internal control system should be effective. 2019 Statement of Internal Control System issued upon the review and approval by the Audit Committee on March 31, 2020 and the resolution and approval by the board on March 31, 2020

The Audit Committee convened a total of three meetings (A) in 2019. The attendance record of independent directors is as follows:

Title	Full name	Number of meetings attended (B)	BY Proxy	Attendance Rate (%) (B/A)	Remark
Independent Director (Convener of the Audit Committee)	Chou, Po-Chiao	3	0	100%	
Independent Director (Member of the Audit Committee)	Chen, Tsung-Ming	3	0	100%	
Independent Director (Member of the Audit Committee)	Kuang-Sung Fan	1	0	100%	(Dismissed date: April 1, 2020)

Independent Director (Member of the Audit Committee)	Lai,Ling-Ming	2	0	100%	New appointment date: June 19, 2020
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Other mentionable items:

I. the operation of the Audit Committee has one of the following circumstances, the dates of the board's meetings, sessions, contents of motion, the resolution of the Audit Committee and the actions taken by the Company for the opinions of the Audit Committee shall be specified.

(I) The matters listed in Article 14-5 of the Securities and Exchange Act:

Board of Directors	Contents of motion and the follow-up measures	Matters listed by Article 14-5 of the Securities and Exchange Act	Matters not approved by Audit Committee but by resolution and agreement of at least two thirds of directors
2020.03.31	1. Approved the Company's financial statements and business report for the year of 2019. 2. Passed the appropriation of the Company's 2019 earnings. 3. 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. 4. Adoption of the proposed changes to the Company's financial officer and accounting officer. 5. 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." 6. Passed the amendment to the Company's "Procedure for the Acquisition or Disposal of Assets." 7. Passed the following amendment to the internal control system of the Company according to the provisions of the "Regulations for the Internal Control System of a Publicly Listed Company" by the Financial Supervisory Commission. 8. Passed the Company's 2019 internal control system, and the statement of internal control system issued upon the result of self-assessment.	V V V V V V V	None
Resolution from the Audit Committee: All the attending members agreed on March 31, 2021			
The Company's handling process on the opinions of the Audit Committee: it was passed by all the directors present.			

Board of Directors	Contents of motion and the follow-up measures	Matters listed by Article 14-5 of the Securities and Exchange Act	Any resolution that was not approved by the Audit Committee but approved by two-thirds or more of all directors
2020.08.13	Approval of the Company's consolidated financial report for the second quarter of 2020	V	None
Resolution from the Audit Committee: All the attending members agreed on August 13, 2020			
The Company's handling process on the opinions of the Audit Committee: it was passed by all the directors present.			
2020.11.12	1. Approval of the Company's consolidated financial report for the third quarter of 2020 2. Approved the capital increase of Kapok Computer (Samoa) Corporation by US\$9 million. 3. Approved the Company's 2021 audit plan.	V V V	None
Resolution from the Audit Committee: All the attending members agreed on November 12, 2020			
The Company's handling process on the opinions of the Audit Committee: it was passed by all the directors present.			
2021.03.26	1. Approved the Company's financial statements and business report for the year of 2020. 2. Passed the appropriation of the Company's 2020 earnings. 3. 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." 4. Passed the amendment of the Company's Audit Committee Charter. 5. Passed the Company's 2020 internal control system, and the statement of internal control system issued upon the result of self-assessment.	V V V V V	None
Resolution from the Audit Committee: All the attending members agreed on March 26, 2021			
The Company's handling process on the opinions of the Audit Committee: it was passed by all the directors present.			

Please refer to page 32 for all the proposals by the Audit Committee in 2020.

(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 of the Audit Committee at least twice a year about the financials of the Company, financials and functioning of domestic and overseas subsidiaries and audits on internal control. Full communication is ensured regarding any major adjustments in entries or any significant influence on accounts due to law/regulation amendments.
 - (III) Please refer to page 33-34 for the records of communication between independent directors and internal auditors and CPAs in 2020.

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.

Summary Table of the Meetings Record for the Audit Committee:

Attendance of individual independent directors: V = attendance; blank=absence

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Independent Director			Remark
					Chou,Po-Chiao	Chen,Tsung-Ming	Kuang-Sung Fan	
1	11	2020.03.20	2020.03.31	1. Resolutions from the 10th meeting of the 1st Audit Committee of the Company. 2. Report on internal audit of business. 3. Approved the Company's financial statements and business report for the year of 2019. 4. Passed the appropriation of the Company's 2019 earnings. 5. 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. 6. Adoption of the proposed changes to the Company's financial officer and accounting officer. 7. 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." 8. Passed the amendment to the Company's "Procedure for the Acquisition or Disposal of Assets." 9. Adoption of the proposed amendments to the Procedures for Ethical Management and Guidelines for Conduct made by the Company. 10. Passed the following amendment to the internal control system of the Company according to the provisions of the "Regulations for the Internal Control System of a Publicly Listed Company" by the Financial Supervisory Commission. 11. Passed the Company's 2019 internal control system, and the statement of internal control system issued upon the result of self-assessment.	V	V	V	Yu,Tien-Jung Wu,Mai Liu,Yi-Mei Feng, Min-Juan Wu,Han-Qi

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Independent Director			Remark
					Chou,Po-Chiao	Chen,Tsung-Ming	Lai,Ling-Ming	
2	12	2020.07.30	2020.08.13	1. Resolutions from the 11th meeting of the 1st Audit Committee of the Company. 2. Report on internal audit of business. 3. Approval of the Company's consolidated financial report for the second quarter of 2020	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan Wu,Han-Qi
3	13	2020.10.30	2020.11.12	1. Resolutions from the 12th meeting of the 1st Audit Committee of the Company. 2. Report on internal audit of business. 3. Approval of the Company's consolidated financial report for the third quarter of 2020 4. Approved the capital increase of Kapok Computer (Samoa) Corporation by US\$9 million. 5. Approved the Company's 2021 audit plan.	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan Lin,Bo-Wei Wu,Han-Qi Liang,Hua-ling
4	14	2021.03.18	2021.03.26	1. Resolutions from the 13th meeting of the 1st Audit Committee of the Company. 2. Report on internal audit of business. 3. Approved the Company's financial statements and business report for the year of 2020. 4. Passed the appropriation of the Company's 2020 earnings. 5. 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." 6. Passed the amendment of the Company's Audit Committee Charter. 7. Passed the Company's 2019 internal control system, and the statement of internal control system issued upon the result of self-assessment.	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan Wu,Han-Qi
5	15	2021.05.03	2021.05.13	1. Resolutions from the 14th meeting of the 1st Audit Committee of the Company. 2. Report on internal audit of business. 3. The Company's finalized account for the first quarter of 2021				

Summary of meetings between independent directors, internal auditors and CPAs in 2020

Date	Subject	Communication matters	Communicate results	Communication personnel
2020/3/31	<ol style="list-style-type: none"> Internal auditors presented the implementation of the audit plan from October 2019 to February 2020 and follow-ups of improvement measures until the end of the first quarter. Independent directors and internal auditors exchanged thoughts on the above reported items. 	<ol style="list-style-type: none"> 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. At the next meeting, the internal auditor Ming-Chih Hung will report about the implementation of audits at the Company's investees property business and Quality Trust Property Management in China. 	All the attending independent directors reviewed, agreed and reported to the board.	Auditor Liu,Yi-Mei
	<ol style="list-style-type: none"> The Company's financial statements and business report for the year of 2019. 	<ol style="list-style-type: none"> CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors. 	All the attending independent directors reviewed, agreed and reported to the board.	CPA Feng, Min-Juan CPA Wu,Han-Qi
2020/8/13	<ol style="list-style-type: none"> The internal auditors presented the implementation status of the annual audit plan and follow-up of improvement measures until July. Due to COVID-19, the auditors could not return to Taiwan for the originally scheduled presentation on the audits from July 2019 to June 2020 on investments in China - property business and Quality Trust Property Management. Written documents were presented. Discussion and communication will be held in due course. Directors and internal auditors exchanged thoughts on the above reported items. 	<ol style="list-style-type: none"> Further enhancement of internal control and internal audits on investees is advised. The achievement of 2020 operating targets for effectiveness and efficiency and the relevant risk considerations are incorporated into the audit for the following year and the agenda for the next report and review by internal auditors. 	All the attending independent directors reviewed, agreed and reported to the board.	Auditor Liu,Yi-Mei
	<ol style="list-style-type: none"> The Company's financial statements for the second quarter of 2020. 	<ol style="list-style-type: none"> CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors. 	All the attending independent directors reviewed, agreed and reported to the board.	CPA Wu,Han-Qi

2020/11/12	<ol style="list-style-type: none"> 1. Internal auditors presented the implementation of the audit plan and follow-ups of improvement measures until the end of the second quarter. 2. Proposal of the Company's 2021 audit plan. 3. Directors and internal auditors exchanged thoughts on the above reported items. 	<ol style="list-style-type: none"> 1. The audit office developed and proposed the Company's 2021 audit plan. Audit items are based on the regulations set by the competent authorities in official documents governing the standards of internal control and in reference to risk assessment results and considerations. In addition to the listing of audit items for the annual audit plan according to requirements, there will be enhanced advocacy for compliance with new rules and regulations, oversight and management of investees, and inspections on operational effectiveness and efficiency. 2. 2021 audit plan is scheduled for submission to the board for approval and reporting at the end of December. 	All the attending independent directors reviewed, agreed and reported to the board.	Auditor Liu,Yi-Mei
	<ol style="list-style-type: none"> 1. The Company's financial statements for the third quarter of 2020. 	<ol style="list-style-type: none"> 1. CPAs explained about the report on financial audits and discussed and communicated the questions raised by directors. 	All the attending independent directors reviewed, agreed and reported to the board.	CPA Wu,Han-Qi CPA Liang,Hua-ling

(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." In line with the global trend of corporate governance and the rising awareness in social and international issues over recent years, the board amended the Corporate Governance Best Practice Principles three times in 2015~2021. Relevant information is disclosed on the Market Observation Post System and at 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	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.	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		(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.	
(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		(III) Each affiliate operates independently, and establishes various rules according to the regulations of the competent authority. The transactions with affiliates shall be conducted according to the relevant rules.	
(III) Does the Company establish and execute the risk control/management and firewall system with its affiliates?	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	
(IV) Does the company establish internal rules against the Company's insiders trading of the securities with undisclosed information in the market ?	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	
			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				
(I) Does the Board of Director develop and implement a diversified policy for the composition of its members?	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 operations, operational type and development requirement shall be stipulated, which should include but not limited to the standards of the following two major aspects: 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 page 43 (Note 1) of the annual report for implementation of board diversity.	The Company has currently executed according to "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" without any difference.
(II) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee pursuant to the laws?	V		(II) In addition to the establishment of the Remuneration Committee and the Audit Committee according to laws and in order to enhance corporate governance performance and company image, the board on November 12, 2020 approved the formulation of the Corporate Governance Committee Charter and the establishment of the Corporate Governance Committee with directors Mr. Tsai,Ming-Hsien , Mr. Chien,Yih-Long and three independent directors Mr. Chou,Po-Chiao , Mr. Chen,Tsung-Ming and Ms. Lai,Ling-Ming to serve as committee members. The	

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		<p>Corporate Governance Committee submitted to the board on February 19, 2021 for approval of the 2021 implementation plan. Please refer to page 44-45 for all the proposals by the committees in 2020.</p> <p>To strengthen the Company's organizational structure in information security, the Information Security Committee was established in December 2020. The committee convenes regular semi-annual meetings and ad-hoc meetings in response to events, in order to involve different functions for the understanding and handling of security information requirements and preventive measures.</p> <p>The Information Security Committee convenes meetings in June and December each year.</p> <p>The meeting minutes of the Information Security Committee are presented to President and the Board of Directors for approval and decision-making on relevant issues.</p> <p>(III) In order to practically implement corporate governance, the Board of Directors of the Company has passed the "Regulations Governing the Board Performance assessment" on November 14, 2016 in accordance with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." The internal performance assessment is conducted on a yearly basis and an external professional and independent institution or a team of experts and scholars will be entrusted to conduct assessment every three years. The assessment methods, standards and assessment results will be exposed on the Company's website. Internal self-assessments were conducted for 2020 on the board, board members, and functional committees. The assessment covered five aspects and the results were presented to the board on March 26, 2021. Please refer to page 46-48 (Note 3) of the annual report for the assessment details. 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.</p>	
(IV) Does the Company evaluate the independence of the CPAs regularly?	V		(IV) The Company has appointed the PWC Taiwan as the certificated accounting firm, who has its professionalism and independence for	

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>its certification. The Company also changes the CPAs regularly according to laws to strengthen its independence.</p> <p>The Company's Audit Committee reviews and approves the independence of external accountants each year before submitting the findings to the board for discussion. The assessment covers whether there is breach of No. 10 of the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China and Article 47 of the Certified Public Accountant Act. It seeks to confirm whether the external accountants are involved in financial benefits or business relations other than the auditing of the Company's financial statements and tax filings. The assessment also inspects whether the external accountants have conflict of interest by serving as the Company's directors, managers or shareholders or receiving salaries from the Company. The Company's assessment confirmed the independence of external accountants.</p> <p>The Company's board periodically (once per year) assesses the suitability and independence of external accountants. (Please refer to page 49 (Note 4) for the assessment criteria.)The assessment results were reviewed and approved by the board on March 26, 2021 to confirm the suitability and independence of external accountants.</p>	
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		<p>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, Mai, Vice President of Financial Management Center, to serve as Officer of Corporate Governance. She has more than three years of management experience with public companies in law, finance or shareholder services, and has selected completed 18 hours of training relevant to jobs and responsibilities required by listing rules for continuing education program of directors and supervisors. Please refer to page 50 (Note 5) of the annual report for her main duties and responsibilities and continued education in 2020.</p>	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	V		<p>Both the Company and the stakeholders have dedicated department to take charge of collecting the relevant information and communicate to each other. The Company has set up its website with the address of</p>	The Company has currently executed according to "Corporate Governance

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	
for in terms of corporate social responsibilities?			http://www.clevo.com.tw/ and has built the dedicated sections for investor relation and stakeholder respectively, which includes the Company's related news and activities, corporate governance (including the Company's Corporate Social Responsibility Best Practice Principles), information of finance and stock affairs as well as the Company's contact methods. The investor relation department has dedicated person to respond the related issues.	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) The Company has set up its website with the address of https://www.clevo.com.tw/ and has built a dedicated section for investor relation, which includes the Company's related news and activities, information of corporate governance, the Company's relevant rules as well as information of finance and stock affairs.	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) The Company has established the spokesperson and the deputy spokesperson system and appointed dedicated personnel to collect and disclose corporate information. Relevant information on the Company's financials and businesses is disclosed to the investing public on the Market Observation Post System, at capital market events, at the Company's website and via newspapers and magazines. Please visit the Company's website for details at https://www.clevo.com.tw/ .	
(III) Does the Company announce and declare the annual 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?		V	(III) The Company publishes and files annual financial reports (within three months), reports for the first, second and third quarters (within 45 days) and monthly operational updates (before 10th of each month) according to the deadlines 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. 2020 financial statements were published and filed on	

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	
			March 26, 2021.	
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 labor's 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 possesses the regular health examination, group insurance and complete employee retirement measures.</p> <p>(II) Employee Caring: The Company has established the Occupational Safety and Health Committee according to laws, and studied the relevant regulations of safety and health. In order to ensure the employees' safety and health, the Company has established the "Occupational Safety and Health Policies," arranged the regular lectures and courses with various subjects, provided the doctors' consultation, opened the diversified channels for employees to express the opinions and to consult as well as created a better participating feelings and a smooth two-way communications.</p> <p>(III) Investor Relations: Protecting the shareholders' rights/benefits is the Company's biggest target. The Company gives equal treatment to all shareholders. Upon the relevant regulations, the Company's important messages, including finances, business and changes of the insiders' shareholding will be announced on the Market Observation Post System immediately.</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</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>Measurement Standards: Through the audit office and internal control system, the 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: The Company has purchased liability insurance for directors maturing on May 15, 2021. The insured amounts, coverage and premiums of liability insurance for directors were reported to the board. New insurance policies for May 15, 2021 to May 15, 2022 have come into effect and will be reported to the most immediate board meeting.</p> <p>(IX) Attendance of directors for board meetings: Board meetings are convened regularly and directors take part with enthusiasm. The Company has filed online the attendance record of directors. Please refer to page 27 for details.</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 external training in corporate governance, securities laws and taxations each year. There is dedicated personnel responsible for collecting relevant information on laws and regulations and submitting such information to directors and the Audit Committee. Please refer to page 51 (Note 6) for the details on training and education for directors and managers in 2019. The directors' attendance and independent directors' sitting in the Company's board as well as the directors' training were disclosed on the Market Observation Post System. The website address is</p>	

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	
			https://mops.twse.com.tw/mops/web/index according to the regulations.	
<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 Company's total score in the corporate governance evaluation in 2020 is as follows: 90.03 - Top 6%~20% among all the listed companies and top 11%~20% among electronics companies with a market capitalization of more than NTD 10 billion. The improvements made in 2020 are as follows:</p> <ol style="list-style-type: none"> 1. The Company has formulated and published the internal rules and the implementation of such rules against insider trading. 2. The Company had stipulated a policy on board diversity and published its implementation at the Company's website and in annual reports. 3.To practically implement gender equality of the board, a female independent director was elected in the by-election on June 19, 2020 to boost the board diversity. 4. The Company established the Corporate Governance Committee on November 12, 2020, as the functional committee beyond the requirement of laws. Its duties, responsibilities and functioning are disclosed at the Company's website or in annual reports. . 5. The Company has disclosed the communication among the independent directors, internal audit officers and independent accountants in annual reports and at the Company's website. 6. The Company conducts internal and external assessments before deadlines according to its Regulations Governing the Board Performance Assessment.The implementation status and assessment results are disclosed at the Company's website or in annual reports. 7. The Company has established an information security management framework, the Information Security Committee, information security policies and management measures. This is disclosed at the Company's website or in annual reports. 8. The Company has formulated and disclosed the intellectual property management plan linked with operational targets and the implementation status. 9. The Company had established the policies and specific management program to protect human rights according to the International Bill of Human Rights and published the information at the Company's website or in annual reports. 10. The Company appropriately reflects the operating performance or results to the remuneration to employees and discloses the adjustment of average remunerations to employees. 11.The Company has disclosed its acquisition of the ISO 14001 environment management system certification in annual reports and on the Company's website. <p>(II)Improvements made to address the corporate governance indicators the Company failed to achieve in 2020:</p> <ol style="list-style-type: none"> 1. The specific dividend policy has been disclosed in the annual report. 2.The linkage between performance assessment and remuneration of directors and managements has been disclosed in the annual report. <p>(III)For those items that have not yet been improved, the items that shall be strengthened first and its measures are provided as follows:</p> <ol style="list-style-type: none"> 1. The Board of Directors intends to formulate risk management policies and procedures, and to disclose the scope, organizational structure and functioning of risk management. 2. The Company's intellectual property management plan will be mapped out, with intention to acquire external certifications such as Taiwan Intellectual Property Management. 				

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

Note 1: Implementation of board diversity in 2020

Name of Director	Sex	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.	A Judge, Public Prosecutor, Attorney, CPA, or Other Professional Who Has Passed a National Examination with a Certificate in a Profession Necessary for the Business of the Company
Hsu,Kun-tai	Male	√	√	√	√	√	√	√	√	√	√	√	
Tsai,Ming-Hsien	Male	√	√	√	√	√	√	√	√	√	√	√	
Lu,Jin-Zong	Male	√	√	√	√	√	√	√	√	√	√	√	
Chien,Yih-Long	Male	√	√	√	√	√	√	√	√	√	√	√	
Chou,Po-Chiao (Independent Director)	Male	√	√	√	√	√	√	√	√	√	√	√	√
Chen,Tsung-Ming (Independent Director)	Male	√	√	√	√	√	√	√	√	√	√	√	
Lai,Ling-Ming (Independent Director)	Female	√	√	√	√	√	√	√	√	√	√	√	√

*Additional note: All of the seven directors of the Company have the aforementioned background, experience and the comprehensive professional ability. Among the directors, Hsu,Kun-tai , 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. As an expert in corporate governance and risk management, Lai,Ling-Ming helps to enhance the decision-making quality of the Company and the board.

All the Company's directors are citizens of the Republic of China. In 2020, 43% of the directors were also employees Independent directors accounted for 43% of the board. Two independent directors have a tenure of less than three years, one independent director with a tenure of four to six years. One director is above 70 years old, Three 60~69 years old, and Three below 60 years old. The Company emphasizes gender equality in the board composition and has by-elected a female director at the general shareholders' meeting on June 19, 2020. Currently, 14% of the board directors is female. Professional and outstanding females will be recruited going forward to serve as the Company's directors.

Note 2: Functioning of 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	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. The Corporate Governance Committee convened two meetings in 2020 and as of the print date of the annual report. The attendance records and the

resolved items are as follows:

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director		Independent Director			Attendance Without Voting Rights
					Tsai,Ming-Hsien	Chien,Yih-Long	Chou,Po-Chiao	Chen,Tsung-Ming	Lai,Ling-Ming	
1	1	2020.10.30	2020.11.12	Approved the selection of the Corporate Governance Committee's convener.	V	V	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan
2	2	2021.02.09	2021.02.19	1. Reported on the implementation of corporate governance in 2020. 2. Approved the committee's 2021 implementation plan	V	V	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan

Note 3: Results of 2020 performance assessments on the board and functional committees

CLEVO CO.

Implementation and result of self-assessments by the board and functional committees for 2020

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. Implementation and result of self-internal assessments for 2020 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 review of the board covered five aspects and 45 indicators. The result consisted of 40 indicators for "Excellent" (5) and 5 for "Good" (4). The average attendance for directors in 2020 was 100%. All the board members have a clear understanding about the Company and the industry it operates, properly assess and monitor company operations, and supervise corporate governance. Their interaction with management is good and can fully put their expertise in use. The average score for the board's performance reviews in 2020 was 4.89 points (vs. a full mark of 5.0). This indicates a robust working of the board, in line with corporate governance requirements.

Five major self-assessments	Assessment subjects	Assessment results
A. Participation level for the Company's operations	12	4.92
B. Enhancing the decision quality for the board	12	4.92
C. Composition and structure of the Board of Directors	7	5.00
D. Directors' election and continuous education	7	4.71
E. Internal control	7	4.86

(II) Self-assessment by individual directors:

The assessment of board members covers six aspects and 23 indicators. Seven directors currently in service filled in the self-assessment questionnaires. All the seven questionnaires were recovered. The scores were averaged between Excellent (5 points) and Good (4 points). This indicates that directors viewed positively the performance of each indicator. To further strengthen the board's functions, individual directors came up with the following suggestions:

Director Tsai, Ming-Hsien : Board members should continue the familiarization with board functioning and provide opinions in a timely manner.

Independent director Lai, Ling-Ming: The establishment of the Corporate Governance Committee and

Information Management Committee in 2020 was a positive move. The direction for implementation planning is in line with expectation. It is suggested that the board should, before the deadline imposed by regulators, voluntarily formulate Risk Management Policy to further strengthen the board's functions.

Six aspects for self-assessments	Assessment subjects	Assessment results
A. Mastery of company goals and tasks	3	5.00
B. Acknowledgement of directors' duties and responsibilities	3	5.00
C. Participation level for the Company's operations	8	4.84
D. Management and communication of internal relations	3	4.71
E. Professionalism and continued education of directors	3	4.83
F. Internal control	3	4.90

(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 result consisted of 21 indicators for "Excellent" (5) and 1 for "Good" (4). The average score for performance reviews in 2020 was 4.95 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	5.00
B. Understanding of the functional committee's responsibilities.	5	5.00
C. Improvement of decision-making quality of functional committees.	7	4.86
D. Composition of the functional committee and selection of members	3	5.00
E. Internal control	3	5.00

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

The performance review of the Remuneration Committee covered four aspects and 19 indicators. The result consisted of 18 indicators for "Excellent" (5) and 1 for "Good" (4). The average score for performance reviews in 2020 was 4.95 points (vs. a full mark of 5.0). This indicates a robust working of the Remuneration 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	5.00
B. Understanding of the functional committee's responsibilities.	5	4.80
C. Improvement of decision-making quality of functional committees.	7	5.00
D. Composition of the functional	3	5.00

committee and selection of members		
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(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 for “Good” (4). The average score for performance reviews in 2020 was 4.94 points (vs. a full mark of 5.0). This indicates a robust working of the Remuneration 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	5.00
B. Understanding of the functional committee’s responsibilities.	5	4.80
C. Improvement of decision-making quality of functional committees.	7	5.00
D. Composition of the functional committee and selection of members	3	5.00

IV. The Company’s board and functional committees under the board functioned well in 2020 by properly assessing and monitoring corporate operations and overseeing corporate governance. All the directors reported an attendance rate of 100% and put their expertise in full use. To enhance the board’s functions and extend the board’s policies, an initiative on the board’s success planning was started under the abovementioned aspect of “directors’ election and continuous education”. There will be continued efforts to augment the professional capabilities of board members with a diversity of curricula. The board incorporated the suggestions from individual directors in order to formulate improvement measures or relevant plans.

V. The aforesaid performance reviews on the board, individual directors, and functional committees under the board for 2020 were reported to the board meeting on March 26, 2021.

Note 4: Assessment items for suitability and independence of external accountants

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 Act.	V	
6. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	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 5: Functioning of Officer of Corporate Governance

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,Mai, Vice President of Financial Management Center, to serve as Officer of Corporate Governance. Vice President Wu,Mai 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. 2020 Business Implementations

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 matters related to the implementation status of corporate governance to the Board of Directors, independent directors, Audit Committee and functional committees.
 - (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) Responsible for reviewing the important resolutions of the Board of Directors for publication after the meeting, to ensure the legality and

correctness of the content of important information and make sure that investors receive accurate information.

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. 2020 Continuing Education:

Vice President Wu, Mai has completed 18 hours of training in 2020 in relation with job functions according to listing rules for continuing education program of directors and supervisors. This complied with the requirement for a minimum of 12 hours in training each year. Her continuing training and education was as follows:

Date of Education		Host Institution	Name of Course	Hours of Training
From	To			
2020/2/18	2020/2/18	Taiwan Corporate Governance Association	Functions and assignments of corporate governance personnel under the blueprint of corporate governance	3
2020/3/17	2020/3/17	Taiwan Corporate Governance Association	Review the battle for management ownership from the perspective of corporate governance	3
2020/3/18	2020/3/18	Securities & Futures Institute	Employee Remuneration Strategy and Utilization of Tools	3
2020/10/16	2020/10/16	Taiwan Stock Exchange	2020 Advocacy to Directors and Supervisors for Corporate Governance and Business Ethics	3
2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Board Functions and Effectiveness Reviews	3

Note 6: Continuing training and education for directors and supervisors and training for managers on corporate governance:

Title	Full name	Date of Education		Host Institution	Name of Course	Hours of Training
		From	To			
Chairman	Hsu,Kun-tai	2020/11/05	2020/11/05	Taiwan Corporate Governance Association	Impact of Newest Change in Tax Laws on Corporate Operations and Responses (First Half)	3
					Impact of Newest Change in Tax Laws on Corporate Operations and Responses (Second Half)	3
		2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
Vice Chairman and President	Tsai,Ming-Hsien	2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
					Board Functions and Effectiveness Reviews	3
Director and Executive Vice President	Chien,Yih-Long	2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
					Board Functions and Effectiveness Reviews	3
Director	Lu,Jin-Zong	2020/11/05	2020/11/05	Taiwan Corporate Governance Association	Impact of Newest Change in Tax Laws on Corporate Operations and Responses (First Half)	3
					Impact of Newest Change in Tax Laws on Corporate Operations and Responses (Second Half)	3
		2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
Independent Director	Chou,Po-Chiao	2020/09/15	2020/09/15	Securities & Futures Institute	Corporate Governance 2.0 - Trends in International Taxations and Practical Guides	3
		2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
					Board Functions and Effectiveness Reviews	3
Independent Director	Lai,Ling-Ming	2020/10/15	2020/10/15	Independent Director Association Taiwan	Information security strategy for enterprise development and crucial information security management and protection	3
		2020/10/16	2020/10/16	Taiwan Stock Exchange	2020 Corporate Governance and Corporate Integrity Directors and Supervisors Promotion Conference	3
		2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
					Board Functions and Effectiveness Reviews	3
		2020/11/26	2020/11/26	Independent Director Association Taiwan	Practical operation and case analysis of the audit committee and other functional committees	3

Title	Full name	Date of Education		Host Institution	Name of Course	Hours of Training
		From	To			
Vice President, Chief of Finance/Accounting and Officer of Corporate Governance	Wu,Mai	2020/2/18	2020/2/18	Taiwan Corporate Governance Association	Functions and assignments of corporate governance personnel under the blueprint of corporate governance	3
		2020/3/17	2020/3/17	Taiwan Corporate Governance Association	Review the battle for management ownership from the perspective of corporate governance	3
		2020/3/18	2020/3/18	Securities & Futures Institute	Employee Remuneration Strategy and Utilization of Tools	3
		2020/10/16	2020/10/16	Taiwan Stock Exchange	2020 Advocacy to Directors and Supervisors for Corporate Governance and Business Ethics	3
		2020/11/12	2020/11/12	Taiwan Corporate Governance Association	Analysis, Decision-Making and Utilization of Corporate Financial Information	3
					Board Functions and Effectiveness Reviews	3

(IV) If the Company has established the remuneration committee, its composition, responsibilities and operations shall be disclosed:

1. Information for Members of Remuneration Committee:

Position (Note 1)	Criteria	Have at Least Five Years Work Experience and Meet the Following Professional Qualification			Independence Criteria (Note 2)										Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member	Remark
		An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Needed by the Business of the Company	A Judge, Public Prosecutor, Attorney, CPA, or Other Professional Who Has Passed a National Examination and Been Awarded a Certificate in a Profession Needed for the Business of the Company	Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Needed for the Business of the Company	1	2	3	4	5	6	7	8	9	10		
Other-Convener of Remuneration Committee	Chou,Po-Chiao		V	V	V	V	V	V	V	V	V	V	V	V	1	None
Other-Member of Remuneration Committee	Chen,Tsung-Ming			V	V	V	V	V	V	V	V	V	V	V	0	None
Other-Member of Remuneration Committee	Lai,Ling-Ming		V	V	V	V	V	V	V	V	V	V	V	V	0	None

Note 1: For type of identity, please fill in the director, independent director or other.

Note 2: Please tick "✓" on the following blank space of the corresponding criteria that apply to the members during the two years prior to being elected or during the term of office.

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of the Company or any of its affiliates (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship, of any of the above persons listed in Subparagraph (2) and (3) or of the manager listed in (1).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (6) Not if a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, or its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (7) Not if the Chairman, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company are the same person or are spouses: a director, supervisor, or employee of that other company (however, it is not applicable in cases where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares, of a specified company or institution which has a financial or business relationship with the Company (however, it is not applicable in cases that if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company and where the person concurrently served as an independent director of the Company, its parent company, subsidiaries of the same parent company, which is established according to the Regulations or the local laws of the country).
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer and their spouse of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$ 500,000. However, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not having one of the circumstances stated in Article 30 of the Company Act.

2. Responsibilities of Remuneration Committee

- I. 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:
 - (I) Regularly review the "Remuneration Committee Charter" and provide the recommendation of the amendment.
 - (II) 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.
 - (III) 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.
- II. While fulfilling the duties stated in the preceding paragraph, the following principles shall be followed:
 - (I) Ensure the arrangement of the Company's remuneration complies with the relevant laws and it is sufficient to attract the excellent talents.
 - (II) 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.
 - (III) 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.
 - (IV) 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.
 - (V) The committee members shall not be involved in the discussing and voting the determination of their personal remuneration.
- III. 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.
- IV. 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 members currently in service: from June 25, 2018 to June 14, 2021. The Remuneration Committee convened three meetings (A) in 2020. The qualifications and attendance records of the members are 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	1	0	100%	Newly appointed on June 19, 2020
Member	Kuang-Sung Fan	2	0	100%	Resigned on April 1, 2020

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 Company's board of directors passed the establishment of the "Remuneration Committee Charter" on December 13, 2011 and passed the Company's 4th term of the "employment of the members of the Remuneration Committee" on June 25, 2018.
- 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/group_company.asp?id=50&lang=tw

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	Kuang-Sung Fan	Resolution results	The company's process on the remuneration committee	Attendance Without Voting Rights
1	5	2019.12.31	2020.01.14	Review of year-end bonuses to managers for 2019	✓	✓	✓	It was passed by all the members of the Audit Committee.	Submitted to the board Approved by all attending directors	Yu,Tien-Jung Lan,Bo-Yu
2	6	2020.03.23	2020.03.31	Review the Company's appropriated amount for the remuneration of the directors and supervisors as well as compensation of the employees for the year of 2019.	✓	✓	✓	It was passed by all the members of the Audit Committee.	Submitted to the board Approved by all attending directors	Yu,Tien-Jung Lan,Bo-Yu

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
3	7	2020.05.22	2020.06.19	1. Review of remuneration to directors for 2019 2. Review of remuneration to the independent director Chou,Po-Chiao for 2019 3. Review of remuneration to the independent director Chen,Tsung-Ming for 2019 4. Review of remuneration to managers and employees for 2019	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
4	8	2021.01.07.	2021.01.26.	Review of year-end bonuses to managers for 2020	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	2021.03.18	2021.03.26	1. Amendment of the Company's Remuneration Committee Charter 2. Review of the amount of remunerations to directors and employees for 2020	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

(V) Fulfillment Status of the Social Responsibilities and the difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons

Evaluation Item	Implementation Status (Note 1)			The difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons									
	Yes	No	Abstract Illustration (Note 2)										
I. Does the Company comply with the materiality principle and conduct the related risk assessment on major issues about environment, society and corporate governance related to the Company's operations, and adopt the related risk management policies or strategies? (Note 3)	V		<p>On the basis of the materiality principles of corporate social responsibility, the Company refers to the internationally accepted reporting guidelines and conducts analysis of major issues on a annual basis. Through research reports, literature review, and communication with internal and external stakeholders, the Company stipulates discussion content of all issues and priorities, performs risk assessment and proposes strategic suggestions and annual work plans accordingly. The Company also stipulates relevant risk management policies or strategies according to the assessed risks and discloses in its corporate social responsibility he major issues as follows:</p> <table><tr><th>Major issues</th><th>Risk assessment</th><th>Risk management policy or strategy</th></tr><tr><td>Corporate governance</td><td>Corporate governance</td><td>We have stayed true to the principles of corporate governance to ensure the effective operation of the Board of Directors and protect the rights and interests of stakeholders, with a high standard of corporate governance policy, professional background and gender equality policy of director election.</td></tr><tr><td>Ethical corporate management and legal compliance</td><td><ul style="list-style-type: none">• Anti-corruption• Anti-competitive practices• Socioeconomic compliance</td><td>We have stayed true to the highest ethical standard for our business operations and we have stipulated regulations for ethical corporate management and requested new employees to sign relevant documents in order to ensure that all of our business practices comply with the relevant legal requirements. 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.</td></tr></table>	Major issues	Risk assessment	Risk management policy or strategy	Corporate governance	Corporate governance	We have stayed true to the principles of corporate governance to ensure the effective operation of the Board of Directors and protect the rights and interests of stakeholders, with a high standard of corporate governance policy, professional background and gender equality policy of director election.	Ethical corporate management and legal compliance	<ul style="list-style-type: none">• Anti-corruption• Anti-competitive practices• Socioeconomic compliance	We have stayed true to the highest ethical standard for our business operations and we have stipulated regulations for ethical corporate management and requested new employees to sign relevant documents in order to ensure that all of our business practices comply with the relevant legal requirements. 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.	No deviation.
Major issues	Risk assessment	Risk management policy or strategy											
Corporate governance	Corporate governance	We have stayed true to the principles of corporate governance to ensure the effective operation of the Board of Directors and protect the rights and interests of stakeholders, with a high standard of corporate governance policy, professional background and gender equality policy of director election.											
Ethical corporate management and legal compliance	<ul style="list-style-type: none">• Anti-corruption• Anti-competitive practices• Socioeconomic compliance	We have stayed true to the highest ethical standard for our business operations and we have stipulated regulations for ethical corporate management and requested new employees to sign relevant documents in order to ensure that all of our business practices comply with the relevant legal requirements. 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.											

Evaluation Item	Implementation Status (Note 1)			The difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration (Note 2)	
			<p>Legal compliance regarding environmental protection regulations</p> <p>We proactively stipulate environmental management policies and setting goals and indicators for the management, to be used as a standard of practices for environmental management system and operation. The management policy is stipulated by the general manager and the importance of environmental management is promoted to employees through different channels. Our employees are required to implement the management policy into daily business operations and constantly review and improve the environmental management system to facilitate their performance and practices, to continuously fulfill the objective of environmentally friendly. The environmental management policy includes:</p> <ul style="list-style-type: none"> • Follow the relevant laws and regulations on environmental protection laws and regulations to be a company with zero rule breaching • Take preventive measures for pollution prevention to reduce the impact on the environment. • Continuously improve the environmental management program and fulfill the responsibility of earth protection. • Proactively sort and recycle waste generated by the operations of the Company. • Establish communication and propaganda channels for the environmental management system and keep external communication on a frequent basis. <p>Note: No violation of environmental protection regulations in 2020.</p>	
			<p>Product safety</p> <p>Customers' health and safety</p> <p>To achieve the production processes with product safety and environmentally friendly, the specifications of ISO system are adopted in the design stage. It is deemed as an important objective to be in accordance with international specifications and standard requirements, so that our products can maintain their functionalities competitiveness on the market. To effectively comply with regulations, our procurement and sales departments work with suppliers to evaluate relevant laws and regulations domestic and overseas and</p>	

Evaluation Item	Implementation Status (Note 1)					The difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration (Note 2)			
					proactively follow relevant laws and regulations.	
			Economic performance	Economic performance	The Company establishes operational targets each year for the next five years and amends these targets year-over-year according to the global economic growth. This facilitates the strategic planning and action plans for the future in order to achieve gradual and stable growth. By regularly convening operational management meetings and quarterly meetings by the Audit Committee and the Board of Directors at the headquarters, quarterly operational status and market changes are reviewed and adjusted, in order to mitigate risks and achieve annual targets.	
			Market image	Customer's privacy	<ul style="list-style-type: none">• Stipulate the "customer services management" and "control procedures for unqualified products" procedures as well as the handling methods and procedures for customer complaints to serve customers with a standardized service mode.• Integrate the customer service offices, Customer Quality Service (CQS), R&D and sales departments to formulate a common approach in order to respond to consumers' needs with comprehensive services.• Create a positive market image in order to enhance customer loyalty and satisfaction and boost operating performance and competitiveness. Note: There was no infringement of customers' privacy or loss of customers' data in 2020.	
			Occupational safety and health	Occupational safety and health	A safe and healthy working environment empowers the employees to demonstrate a high-efficiency and high-quality work performance as well as ensure their safety and health at the workplace. The emphasis on environmental safety and health is ingrained in the Company's corporate culture. We aim for zero occupational	

Evaluation Item	Implementation Status (Note 1)					The difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration (Note 2)			
					accidents. With regular audits on environmental safety and health and assessment by the Safety and Health Committee, we continue to improve, review and enhance the management performance of environmental safety and health, provide a comfortable workplace and rectify any unsafe environment.	
			Labor Relations	<ul style="list-style-type: none">• Labor Relations• Labor/management relations:	The Company is people-centric and employees are important partners to us. We believe that a positive and active workplace culture is only possible with happy and healthy employees, and this enhances work efficiency and retain suitable talents.	
II. Does the Company set up the exclusively (concurrently) dedicated department to drive its corporate social responsibilities, and the board of directors delegate the senior management level for handling, as well as report to the board of directors its implementation status?	V		The Company has created a CSR working group in 2016 and the general manager has served as the convener who is responsible for the stipulation of corporate social responsibility strategies and policies, system establishment and the design of relevant management policies. The working group led its teams and all departments of the Company to implement the policies in the Clevo's operation processes and it is a dedicated unit for the sustainable development and management of Clevo Co. The Board of Directors also authorizes the high management to handle related matters and they regularly report the implementation status to the Board of Directors every year. The CSR working group includes 5 groups based on the work domains, including the corporate governance , employee care, social care, product and environment, customer care group; the members and supervisor of each group are selected from relevant units and suitable employees of the Company. The CSR working group conducts regular meetings, plans and coordinates the management, and discusses with each group for the implementation methods and goals of CSR-related projects in the future. In addition, the team is responsible for preparing the annual CSR report and matters regarding publishing. (1) Corporate Governance Team: Take charge of the Company's operation governance and finance related matters, including corporate governance, ethical management and compliance with laws etc. (2)Employee Care Team: Take charge of the employees' rights/benefits, education/training and compliance with labor laws. (3) Social Caring Team: Take charge of the corporate images, community participation and dealing with appeal. (4) Product Environment Team: Take charge of product lash, research/develop the green products and plan the policies and activities relating to environmental management for Clevo Co. (5)Customer Caring Team: Take charge of product responsibilities, maintaining the customer relationship and protecting the consumers' rights/benefits.			No deviation.
III. Environmental issues (I) Does the Company establish the suitable	V		(I) The Company's main production and manufacturing factory is the Kunshan factory. Therefore, the relevant			No deviation.

Evaluation Item	Implementation Status (Note 1)			The difference from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration (Note 2)	
environmental management systems upon its industrial characteristics?			management systems and standards only created in the Kunshan factory and it had obtained the new version of certification ISO14001: 2015 environmental management system on April 16, 2020 and the certification is valid until April 7, 2023.	
(II) Does the Company endeavor to utilize all resources more efficiently, and use the renewable materials that have less impact on the environment?	V		(II) Every year, the Company continues to invest funds and resources for various operations such as implementation of water resources management, energy saving and carbon reduction, waste disposal and treatment , treatment of waste gas emissions and remedial measures, pollution prevention, and environmental management. The total invested amount in 2019 is NTD 1,649,265. The Company is also in accordance with the trend of environmentally friendly products and relevant environmental protection directives by the European Union such as WEEE (Waste Electrical and Electronic Equipment) Directives and Restriction of Hazardous Substances (RoHS) Directive, to develop environmentally friendly green electronic products in response to the changes in the consumer electronics market worldwide as well as consumers' focus on manufacturers' environmental protection subject.	
(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) In accordance with the relevant laws and regulations regarding energy and greenhouse gases announced by other countries, Clevo actively faces the risks and opportunities brought by climate change and takes the initiative to stipulate the "Operational Procedures for Energy and Resources Management" with a reference of specifications of other organizations. It is used as the operational requirements for the use of energy and resources as well as guidelines for energy-saving and carbon-reduction practices which is also implemented in the environmental management system to monitor and improve the use of energy and resources on a regular basis, to reduce the environmental impact. It will be able to help us verify the environmentally friendly measures on the earth every year through the long-term recorded data and information disclosures, to verify whether we have gradually achieved the preset goals. The Company has adopted the program to reduce the consumption of natural resources, including improvement of energy efficiency for products, green supply chain management, management of raw materials and waste, reduction of product packaging and recycling, reduction of CO2 concentration in the operating headquarters, and enhancement of energy efficiency.	
(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	V		(IV) The Company has formulated the Operational Procedures for Energy and Resources Management, tracks its greenhouse gas emissions each year and targets for sustainability by reducing 10% carbon emissions over a 10-year period. Energy efficiency measures are put in place at production sites and the headquarters. Details of energy savings, greenhouse gas reductions and emissions, water consumption and waste weights are disclosed in corporate social responsibility reports and on the website.	

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		Yes	No	Abstract Illustration (Note 2)					
reduction, reduction of water consumption or management of other waste?									
IV.	Social issues					No deviation.			
(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.					
(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	(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 P121-122 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. The following are the average salary adjustment for employees in 2019:					
				Salary adjustment	Remark	Salary adjustment for non-managerial	Remark	Salary adjustment of managerial employees	Remark

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	Yes	No	Abstract Illustration (Note 2)							
					employees					
			0% ~ 6.0%	None	0% ~ 8.0%	The salary adjustment is based on employees' job responsibility and performance, and the promoted employees will be given a salary adjustment for promotion.	0 ~ 5.0%	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 .		
(III) Does the Company provide the employees a safe and healthy working environment, and arrange the regular training relating to safety and health?	V		(III)	1.Arrange the health promotion activities to increase the colleagues' healthiness and prevent the diseases. 2.Arrange the courses of the health lectures regularly to enhance the colleagues' healthy awareness and healthy behaviors. 3.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. 4.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. 5.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. 6.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.						
(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.						

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(V) Does the Company comply with relevant regulations and international standards to stipulate relevant consumer protection policies and complaint procedures in regard to the products and services for customer's health and safety , customer's privacy, marketing and labeling?	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?			(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.	
V. Does the Company refer to the standards or guidelines for preparation of international reports and prepare a corporate social responsibility report that discloses the non-financial related information of the Company? Did the preceding report obtain the verification or assurance opinion from a third-party notary agency?	V		The Company prepares corporate social responsibility reports according to the internally accepted GRI (Global Reporting Initiative) Standards and commissions Ernst & Young as an independent and credible third-party verification provider to provide limited assurance based on No. 1, Standard on Assurance Engagements of the Republic of China (Taiwan) regarding assurance engagements of non-historical financial information reviews or inspections. This is published at the Company's website at https://www.clevo.com.tw .	No deviation.
<p>VI.If the Company has established its own corporate social responsibility principles according to the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference in its own principles and functioning.</p> <p>The Company has established the "Corporate Social Responsibilities Best Practice Principles" and the board of directors passed it on March 27, 2015. According to the relevant regulations of its principles, all chiefs of departments 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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	Yes	No	Abstract Illustration (Note 2)	
VII. Other important information to facilitate a better understanding of its corporate social responsibilities practices:				
1. Material Natural Disasters and Other Donations:				
Year	Note	Amount Put In (Unit: NTD)		
2018	Sanchong District Office, New Taipei City	49,500		
	Fire Department, New Taipei City Government	150,000		
	Hualien Social Assistance Account	3,000,000		
	Management Institute in Taipei	100,000		
	Jia-yi Charitable Group in Chiayi City	20,000		
	Genesis Social Welfare Foundation	10,000		
	Decorated and Designed the Daxian Library, NCCU	1,000,000		
	Liver Disease & Treatment Research Foundation	391,500		
2019	Public Welfare Activities in 2019 - Warmth in the Winter, Care for the Underprivileged (Sanchong District Office)	38,610		
	Sponsored the Modern HuaTuo Charity Seminar in 2019	100,000		
	The 29th meal for the underprivileged - A year end dinner for solitary elderly, underprivileged, and underprivileged single mother	10,000		
	The Society of Wilderness	10,000		
	Jia-yi Charitable Group in Chiayi City	20,000		
	The home waiting babies association - employees parent-child family day -pick vegetables and fruits to donate to underprivileged groups	30,507		
	Social Welfare and Public Welfare Trust, Clevo Co.	2,000,000		
	New Taipei City Autism Service Association (employee's voluntary donation and it will not be listed in the accounting books)	15,514		
	Public Welfare Activities in 2019 - Warmth in the Winter, Care for the Underprivileged (Sanchong District Office)	38,610		
	Sponsored the Modern HuaTuo Charity Seminar in 2019	100,000		
2020	The 29th meal for the underprivileged - A year end dinner for solitary elderly, underprivileged, and underprivileged single mother	\$10,000		

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	Jia-yi Charitable Group in Chiayi City			\$20,000	
	Group purchasing with charities - Taiwan Foundation for the Blind and Syin-Lu Social Welfare Foundation			\$32,845	
	New Taipei City Association of Visual Impaired (Daan Sheltered Farm Of New Taipei City) (donations from employees, not recognized on the Company's account)			\$12,630	
	Events for students and art & cultural development - sponsorship to the ocean documentary in Taiwan (Whale Island)			\$60,000	
	Social Welfare and Public Welfare Trust, Clevo Co.			\$2,000,000	
	Fire Department, New Taipei City Government - donation of fire alarms			\$150,000	
	Development Center for the Spinal Cord Injured - donation of preowned books			\$1,500	
	Total			\$9,371,216	
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 NTD 10 million on December 12, 2018. Starting in 2019, the amount of NTD 2 million will be dedicated to various public welfare activities every year.					
3. Society Co-Prosperity					
(1) Clevo Building Ubike Operation Station: 2020 statistics - 59,282 in the number of uses to reduce carbon emissions by 4,707 kg/CO2, equivalent to the planting of 6,587 trees					
(2) Blood Donation: Join Clevo to give blood - Taipei Blood Donation Center invited Clevo for the second time, to participate in a blood donation event in 2020.A total of 137 people joined and donated a total of 49,250ml of blood in 197 bags of blood.					
(3) 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 2020 have received the environmentally-friendly cutlery sets and 333 sports mugs when they came onboard.					
(4) Recycling Rubbish: In response to the government's spirit for classifying rubbish, the Clevo usually uses the slogans and bulletins to remind the colleagues to classify the rubbish. Every floor of Taipei headquarters sets up the dedicated area for recycling the resources. The Buddhist Compassion Relief Tzu Chi Foundation will bi-weekly collect the papers, plastics containers, waste batteries and packaging materials for recycling in order to reduce the rubbish. And the Tzu Chi will transform the recycled rubbish into resources. The Clevo's income from selling the recycled resources will be fully donated to the Tzu Chi for the purpose of charitable public welfare.					
4. 2020 Highlight Projects and Performances:					
(1) The original validity period of the "automated external defibrillator (AED) safety site certification" had expired in November 2019. We apply and obtain the "automated external defibrillator (AED) safety site certification" again in order to provide a safe and secure working environment for our employees, enhance the corporate reputation, create friendly neighborhoods, and fulfill its corporate social responsibilities.					
(2) Working with government agencies: we cooperate with the Sanchong District Office so that they integrate resources and we provide necessary assistance. In 2020, we visited the seniors in Sanchong District, donated winter duvets and fire alarms, helped to clean and tidy up their homes and advocated the importance of home safety. We also participated in the summer camp activity - Big Hands Holding Small Hands and helped the disadvantaged children (with new immigrant parents). We shared how to prevent COVID-19 and disasters with game playing.					

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	Yes	No	Abstract Illustration (Note 2)	
<p>(3) Support for local small farmers: Starting in November 2019, we have been using fresh milk from a single farm, and small farmers without artificially blending and based on fair trade for our coffee machines. The average monthly cost was about 45,000 dollars in 2020. We hope to support and help on the long-term basis the development of local farmers in Taiwan.</p> <p>(4) In 2020, Social Welfare and Public Welfare Trust, Clevo Co. subsidized a total of NT\$2.16 million to 36 senior citizens and 36 mentally/physically disabled people on low-and-mid-incomes in Yunlin County. We also raised N\$T\$70,026 from donations by employees to purchase and donate mobility aids and adult diapers to Social Affairs Department of Yunlin County Government for less fortunate families.</p> <p>(5) Inviting employees to adopt the Clevo piggy bank. In addition to cultivating a good saving habit, it also advocates to help others. The small coins of big love is our campaign inhouse by collecting donated change. A total of NT\$12,630 were raised by the end-year. Clevo donated the entire amount to New Taipei City Association of Visual Impaired (Daan Sheltered Farm Of New Taipei City), to provide the resources required by the visually impaired.</p> <p>The aforesaid affairs and results relating to the corporate social responsibilities will be disclosed on the Company’s website regularly as well as on the corporate social responsibility report.</p>				

Note 1: If the operation status is checked with "Yes," please explain the adopted important policy, strategy, measure and implementation status; if the operation status is checked with "No," please explain the reason and the adopted relevant policy, strategy and measure for the future.

Note 2: If the Company has prepared a corporate social responsibility report, it can indicate the way of reviewing the corporate social responsibility report in the operation status and the index pages.

Note 3: 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.

(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	
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		
(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		
(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	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)	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)	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

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
in place? And regularly review and revise the preceding plan?			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 once a year)?	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 channels for statements are provided to avoid conflict of interest. Meanwhile, the Board of Directors has approved on March 26, 2021 the formulation of the Company's Ethical Corporate Management Best Practice and Procedures for Ethical Management and Guidelines for Conduct. Implementation of ethical corporate management for 2019 was reported to the Board of Directors on March 31, 2020.	
(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 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	

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
(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		<p>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.</p> <p>(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 identified, audit reports will be produced and submitted to the Board of Directors. No dishonest behavior occurred in 2020.</p>	
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	V		<p>(V) The administrative management center that is the ethical management unit of the Company organizes education and training for new employees (including the concept of ethical corporate management) on a regular basis. The Company's 2020 implementation was as follows:</p> <p>1. When the Company provides training and education to new hires to</p>	

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
			<p>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 2020, a total of 86 new hires signed these documents, at 100% sign-up ratio.</p> <p>2. The Company started in November 2020 to offer training and education via e-learning to employees about ethical corporate management. The title of the two-hour curriculum is "Cherish not Jewelry but Integrity - Ethical Corporate Management". As of the end of 2020, a total of 292 visitors clicked on the curriculum. There was no reporting of illegal behavior in 2020 via the hot line or emails.</p> <p>3. 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.</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>	V		<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>	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	
(II) Has the Company set the investigation standards, operating procedures, follow-up measures after the investigation and related confidentiality mechanisms for the reported complaints?	V		<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>	
(III) Has the Company taken measures to protect whistle-blowers from retaliation due to reporting?	V		<p>(III) The company has created a complaint system which aims to maintain the Company's reputation, safeguard the property, prevention of corruption, theft, embezzlement or other violations of laws and regulation 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 in confidentiality. 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 any evidence indicating that they have not violated the Company's regulations, they can immediately appeal to the Administrative Management Center. If it is confirmed that the violators are in violation of 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. 60. The Company guarantees that the identity of the individual and the information provided for complaints and reporting shall be held in absolute confidentiality according to the Personal Data Protection Act. Whistle-blowers will not be penalized. .</p> <p>Contact information: Reporting mailboxes</p>	

Evaluation Criteria	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Abstract Illustration	
			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	
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		The Company had disclosed the contents of the Ethical Corporate Management Best Practice Principles on its website and the Market Observation Post System. The status of implementation effectiveness is also disclosed in the annual report and corporate social responsibility report. Please visit the Company's website for details at http://www.clevo.com.tw .	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.				
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.): <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 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. 				
(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/group_company.asp?id=51&lang=tw.

(IX) Implementation Status of Internal Control Systems
1. Statement of Internal Control.

CLEVO CO.

Statement of Internal Control System

Date: March 26, 2021

Based on self-assessment of its internal control system for 2020, 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 aforesaid assessment results, the Company believes that its internal control system (including the oversight and management of subsidiaries) as of December 31, 2020 was effective in design and implementation to reasonably assure the understanding of the target achievement for operational effectiveness and efficiency; reliability, timeliness and transparency of reporting; and compliance with relevant laws and regulations.
- 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 was approved by the Company's Board of Directors on March 26, 2021. Among the seven attending directors, no director raised objection and all the directors agreed with the contents of this statement.

CLEVO CO.

Chairman: Seal

General Manager: 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 June 19, 2020 and the implementations are as follows:

(1) Reports on Company Affairs

Subject 1: 2019 business report

Subject 2: Review by the Audit Committee of the Company's financial statements and business report for 2019.

Subject 3: Report on distribution of remunerations to employees and directors for 2019.

Subject 4: Report on distribution of cash dividends with earnings and capital surplus for 2019

Subject 5: Report on the Implementation of Treasury Stock of the Company

Subject 6: Report on Amendments to the Company's "Regulations Governing Transfer of Repurchased Shares to Employees"

Subject 7: Report on Amendments to the Company's "Corporate Social Responsibility Best Practice Principles"

Subject 8: Report on Amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct"

(2) Matters to be Ratified

Subject 1: Approved the Company's financial statements and business report for the year of 2019.

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

Subject 2: Passed the appropriation of the Company's 2019 earnings.

Progress: The proposal has come into effect upon approval by the shareholders' meeting. A total of NTD 79,126,786 in cash dividends issued on July 30, 2019 via appropriation of earnings.

(3) Discussions

Subject: Amendment of the Company's Procedure for the Acquisition or Disposal of Assets.

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

(4) Election matters

Subject: By-election of one independent director for the Company

The election results are as follows:

One independent director

No.	Full name	Votes for election
N2226XXXXX	Lai,Ling-Ming	297,600,321

(5) Other Motions

Subject: Removal of non-compete covenant on new independent directors.

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

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 of individual directors and supervisors: V = attendance; blank=absence

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director			Attendance Without Voting Rights
					Hsu,Kun-tai	Tsai,Ming-Hsien	Chien,Yih-Long	Lu,Jin-Zong	Chou,Po-Chiao	Chen,Tsung-Ming	Kuang-Sung Fan	
1	15	2020.02.26	2020.02.27	1. Adoption of amendments to the Procedures for Transfer of Shares to Employees by Buyback of the Company. 2. Adoption of the proposal to repurchase the Company's shares for transfer to employees for the first time in 2020.	V	V	V	V	V	V	V	Yu,Tien-Jung Wu,Mai
2	16	2020.03.23	2020.03.31	1. Report on the implementation of the resolutions passed at the eighth and the ninth meeting of the Board of Directors in 2019, and at the first meeting thereof in 2020. 2. Progress report of the Company's investment in "Taipei Twin Towers Limited." 3. Report on internal audit of business. 4. Report on memorandum book for the Company's derivative commodity transactions. 5. Report on issuance and transfer of treasury shares. 6. Report on performance assessment results on the board and functional committee in 2019 7. Report on implementation of ethical corporate management by the Company in 2019 8. Report on the Company's capability of financial report preparation. 9. Approved the Company's financial statements and business report for the year of 2019. 10. Adoption of and discussion about the distribution of remuneration to employees and directors for 2019 reviewed by the Company's Remuneration Committee. 11. Passed the appropriation of the Company's 2019 earnings. 12. Adoption of payment of cash out of capital reserves. 13. Adoption of a list of candidates for the independent directors nominated and review of the nominations by the Board of Directors. 14. To cooperate with the accountant rotation policy of PwC Taiwan, the proposed case for changing the CPAs who issue financial reports to the Company was approved. 15. Adoption of the proposed changes to the Company's financial officer and accounting officer. 16. Subject: 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". 17. Passed the amendment to the Company's "Procedure for the Acquisition or Disposal of Assets." 18. Adoption of amendments to the Corporate Governance Best Practice Principles of the Company. 19. Passed the Amendments to the Company's "Corporate Social Responsibility Best Practice Principles" 20. Adoption of the proposed amendments to the Procedures for Ethical Management and Guidelines for Conduct made by the Company. 21. Passed the following amendment to the internal control system of the Company according to the provisions of the "Regulations for the Internal Control System of a Publicly Listed Company" by the Financial Supervisory Commission. 22. Passed the Company's 2019 internal control system, and the statement of internal control system issued upon the result of self-assessment. 23. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 24. Adoption of the agenda for convening the general meeting for 2020, and the discussion for relevant operations.	V	V	V	V	V	V	V	Yu,Tien-Jung Wu,Mai Liu,Yi-Mei Feng, Min-Juan Wu,Han-Qi Lin,Bo-Wei

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director		Attendance Without Voting Rights
					Hsu,Kun-tai	Tsai,Ming-Hsien	Chien,Yih-Long	Lu,Jin-Zong	Chou,Po-Chiao	Chen,Tsung-Ming	
3	17	2020.05.05	2020.05.14	1. Report on the implementation of the resolutions passed at the second meeting of the Board of Directors in 2020. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on the implementation of Treasury Stock 5. Report on the implementation status of Taipei Twin Towers Limited 6. Report on the implementation of corporate governance 7. Approved the Company's first quarter financial statements in 2020. 8. Approved the new investment of USD 90 million in the YouJing Diverse Chinese Strategic Fund. 9. 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 Wu,Han-Qi Chiu,Shu-juan

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director			Attendance Without Voting Rights
					Hsu,Kun-tai	Tsai,Ming-Hsien	Lu,Jin-Zong	Chien,Yih-Long	Chou,Po-Chiao	Chen,Tsung-Ming	Lai,Ling-Ming	
4	18	2020.06.05	2020.06.19	1. Report on the implementation of the resolutions passed at the third meeting of the Board of Directors in 2020. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Approval of the Company's ex-dividend date in 2020. 5. Adoption of the proposed appointment of the members of the Remuneration Committee. 6. Adoption of the proposed purchase of liability insurance for the Company's directors and important staff. 7. Approval of the distribution of 2019 remunerations to directors. 8. Approval of the distribution of 2019 remunerations to independent directors. 9. Approval of the distribution of 2019 remunerations to employees. 10. 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
5	19	2020.07.30	2020.08.13	1. Report on the implementation of the resolutions passed at the fourth meeting of the Board of Directors in 2020. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Approval of the Company's consolidated financial report for the second quarter of 2020 5. 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 Wu,Han-Qi
6	20	2020.10.30	2020.11.12	1. Report on the implementation of the resolutions passed at the fifth meeting of the Board of Directors in 2020. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on the implementation of the Company's intellectual property management plan. 5. Approval of the Company's consolidated financial report for the third quarter of 2020 6. Approved the Organizational Charter for the Corporate Governance Committee. 7. Approved the establishment of the Corporate Governance Committee and the appointment of the committee members. 8. Approved the capital increase of Kapok Computer (Samoa) Corporation by US\$9 million. 9. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 10. Approved the Company's 2021 audit plan.	V	V	V	V	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan Lin,Bo-Wei Wu,Han-Qi Liang,Hua-ling

Number of Meetings	Number of Meetings This Term	Date of Notification	Date of Meeting	Explanation of Subject	Director				Independent Director			Attendance Rights
					Hsu,Kun-tai	Tsai,Ming-Hsien	Lu,Jin-Zong	Chien,Yih-Long	Chou,Po-Chiao	Chen,Tsung-Ming	Lai,Ling-Ming	
7	21	2021.02.09	2021.02.19	1. Reported on the implementation of corporate governance in 2020. 2. Reported on the management plan and implementation by the Company's Information Management Committee 3. Passed the base date for the capital reduction by the cancellation of treasury shares. 4. Approved the Corporate Governance Committee's 2021 implementation plan 5. 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 Lin,Chun-Jun Chiu,Shu-juan
8	22	2021.03.18	2021.03.26	1. Report on the implementation of the resolutions passed at the sixth meeting of the Board of Directors in 2020 and the first meeting of the Board of Directors in 2021. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on performance assessment results on the board and functional committee in 2020. 5. Report on implementation of the ethical corporate management policy in 2020. 6. Approved the Company's financial statements and business report for the year of 2020. 7. Approved the review by the Audit Committee on remunerations to employees and directors in 2020. 8. Passed the appropriation of the Company's 2020 earnings. 9. Approved the appropriation of the Company's 2020 earnings via cash dividends. 10. Approved the re-election of the Company's directors (including independent directors). 11. Adoption of a list of candidates for the directors nominated and review of the nominations by the Board of Directors. 12. Adoption of a list of candidates for the independent directors nominated and review of the nominations by the Board of Directors. 13. 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." 14. Adoption of amendments to the Rules and Procedures of Shareholders' Meetings. 15. Adoption of amendments to the Procedures for Election of Directors. 16. Adoption of amendments to the Rules and Procedures of Board Meetings. 17. Adoption of amendments to the Procedures for Appraisal of Performance of the Board of Directors. 18. Adoption of amendments to the Rules for Duties and Responsibilities of Independent Directors. 19. Passed the amendment of the Company's Audit Committee Charter. 20. Adoption of amendments to the Compensation Committee Charter. 21. Passed the Company's 2020 internal control system, and the statement of internal control system issued upon the result of self-assessment. 22. Adoption of the application for credit extension, and trade credit for transactions in derivative financial products to financial institutions. 23. Adoption of the agenda for convening the general meeting for 2021, and the discussion for relevant operations.	V	V	V	V	V	V	V	Wu,Mai Liu,Yi-Mei Chiu,Shu-juan Wu,Han-Qi
9	23	2021.05.03	2021.05.11	1. Report on the implementation of the resolutions passed at the second meeting of the Board of Directors in 2021. 2. Report on internal audit of business. 3. Report on memorandum book for the Company's derivative commodity transactions. 4. Report on the Company's results in the 2020 corporate governance evaluation. 5. Approved the Company's finalized account for the first quarter of 2021 6. Passed the base date for the capital reduction by the cancellation of treasury shares. 7. 22.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 Wu,Han-Qi

(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.

(13) 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:

Title	Full name	Date Assumed	Date Dismissed	Reasons for Resignation or Dismissal
Financial and accounting officer	Yu,Tien-Jung		2020.04.01	Job adjustment in the Group
Financial and accounting officer	Wu,Mai	2020.04.01		

Note: The relevant persons of the company refer to Chairman, President, Chief Accounting Officer, Chief Financial Officer, Chief Internal Auditor, Corporate Governance Officer, and R&D Head.

V Information about Certification Fees for CPAs

Range of Certification Fees for CPAs (Please check the matching range or fill in the amount)

Name of accounting firms	Name of CPAs		Audit Period	Remarks
PwC Taiwan	Wu,Han-Qi	Liang,Hua-ling	2020.01.01~2020.12.31	None

Note: If the Company has CPAs or the accounting firm replaced during the year, please list the audit period, and describe the reasons for replacement in the remarks column.

Unit: NTD /thousand dollars

Item of fees		Audit fees	Non-audit fees-	Total
Range of amount				
1	Below NTD 2,000,000			
2	NTD 2,000,000 (inclusive) ~ NTD 4,000,000	4,100	0	4,100
3	NTD 4,000,000 (inclusive) ~ NTD 6,000,000			
4	NTD 6,000,000 (inclusive) ~ NTD 8,000,000			
5	NTD 8,000,000 (inclusive) ~ NTD 10,000,000			
6	Over NTD 10,000,000 (inclusive)			

- (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	2020.03.31		
Reasons for Replacement	Due to the rotation policy of PwC Taiwan, the Company has replaced the former CPA, Feng, Min-Juan, with the CPA, Liang,Hua-ling, from the first quarter of 2020.		
The term of office for the appointer or accountant is terminated or he/she does not accept the appointment	<div>Parties</div> <div>Situation</div>	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	None		
Is there any disagreement with the issuer?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Verification scope or steps
			Others
	No	V	
	Description: not applicable		
Other disclosures (The matters referred to in Articles 10.6(1)-4 to 7 of these Principles shall be disclosed)	(1) If the former CPA has informed the Company that a lack of a sound internal control system rendered its financial reports untrusted: None. (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. (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. (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 replacement or other reasons: No.		

(II) Successive CPAs

Name of accounting firm	PwC Taiwan
Name of CPAs	CPA, Wu, Han-Qi and CPA, Liang, Hua-ling
Date of appointment	2020.03.31
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 these 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	2020		As of April 19 for 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	Hsu,Kun-tai	-	-	-	-
Vice Chairman 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 (Appointment date: June 19, 2020)	-	-	-	-
Senior Vice President	Zhang, Fu-Ming	-	-	-	-
Vice President, Chief of Finance/Accounting and Officer of Corporate Governance	Wu,Mai	-	-	-	-
Vice President	Li,Wen-Hua	(46,000)	-	(4,000)	-
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	(4,000)	-	-	-
Senior Assistant Vice President	Chung,Wen-Chin	-	-	-	-
Senior Assistant Vice President	Chung,Wen-Chin	(10,639)	-	-	-
Senior Assistant Vice President	Lin, Liang-Shih	-	-	-	-
Senior Assistant Vice President	Liang-Shih Lin	-	-	(8,000)	-
Assistant Vice President	Chen,Tsung-Chih	-	-	-	-
Independent Director	Fan,Kuang-Sung (Dismissed date: 2020.04.01)	-	-	-	-
Senior Vice President and Chief of Finance/Accounting	Yu,Tien-Jung (Dismissed date: 2020.04.01)	-	-	-	-
Vice President	Fan,Kuang-Hui (Dismissed date: July 31, 2020)	-	-	-	-
Assistant Vice President	Wang,Zhen-Xiong (Dismissed date: January 1, 2021)	-	-	-	-

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

Note 2: 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 the Relationships among Top Ten Shareholders, Such as Related Parties, Spouses or Relatives within the Second-degree of Kinship.

April 19, 2021

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	Company name (or personal name)	Relationship	-
Hsu, Kun-tai	51,701,335	7.84%	16,371,784	2.48%	0	0%	Feng Chu Lin Fu-Chia Hsu Li-Hsin Hsu Cheng-Hsin Hsu Yueh-Sen Hsu	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	5.66%	0	0%	0	0%	Hsu, Kun-tai Feng Chu Lin Fu-Chia Hsu Li-Hsin Hsu Cheng-Hsin Hsu Yueh-Sen Hsu	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 First-degree relatives of the Company's representative Second-degree relatives of the Company's representative	-
Hongwell Co., Ltd. Person in charge: Hsu Kun Tai	33,567,888	5.09%	0	0%	0	0%	Hsu, Kun-tai Feng Chu Lin Fu-Chia Hsu Li-Hsin Hsu Cheng-Hsin Hsu Yueh-Sen Hsu	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 Second-degree relatives of the Company's representative	-
Fu-Chia Hsu	32,595,454	4.94%	5,077,196	0.77%	0	0%	Hsu, Kun-tai Yueh-Sen Hsu Feng Chu Lin Li-Hsin Hsu Cheng-Hsin Hsu	First-degree relative First-degree relative First-degree relative Second-degree relative Second-degree relative	-

Li-Hsin Hsu	19,676,568	2.98%	0	0%	0	0%	Hsu,Kun-tai Feng Chu Lin Fu-Chia Hsu Cheng-Hsin Hsu	First-degree relative First-degree relative Second-degree relative Second-degree relative	-
KAPOK COMPUTER Person in charge: Hsu Kun Tai	16,966,596	2.57%	0	0%	0	0%	Hsu,Kun-tai Feng Chu Lin Fu-Chia Hsu Li-Hsin Hsu Cheng-Hsin Hsu Yueh-Sen Hsu	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 First-degree relatives of the Company's representative First-degree relatives of the Company's representative Second-degree relatives of the Company's representative	-
Youkang Electronics Co., Ltd. Person in charge: Lu,Jin-Zong	16,730,000	2.54%	0	0%	0	0%	-	-	-
Yueh-Sen Hsu	16,658,373	2.52%	623	0%	0	0%	Hsu,Kun-tai Fu-Chia Hsu Feng Chu Lin	Second-degree relative First-degree relative Second-degree relative	-
Feng Chu Lin	16,371,784	2.48%	51,701,335	7.72%	0	0%	Hsu,Kun-tai Fu-Chia Hsu Li-Hsin Hsu Cheng-Hsin Hsu Yueh-Sen Hsu	Spouse First-degree relative First-degree relative First-degree relative Second-degree relative	-
Cheng-Hsin Hsu	15,547,156	2.36%	0	0%	0	0%	Hsu,Kun-tai Feng Chu Lin Fu-Chia Hsu Li-Hsin Hsu	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, 2021

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 sharehold ing	Number of shares	% of shareholding	Number of shares	% of shareholdin g
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	16,000,000	100%	0	0 %	16,000,000	100%
6.BUYNOW ON-LINE HOLDING CORPORATION	1,100,000	100%	0	0 %	1,100,000	100%