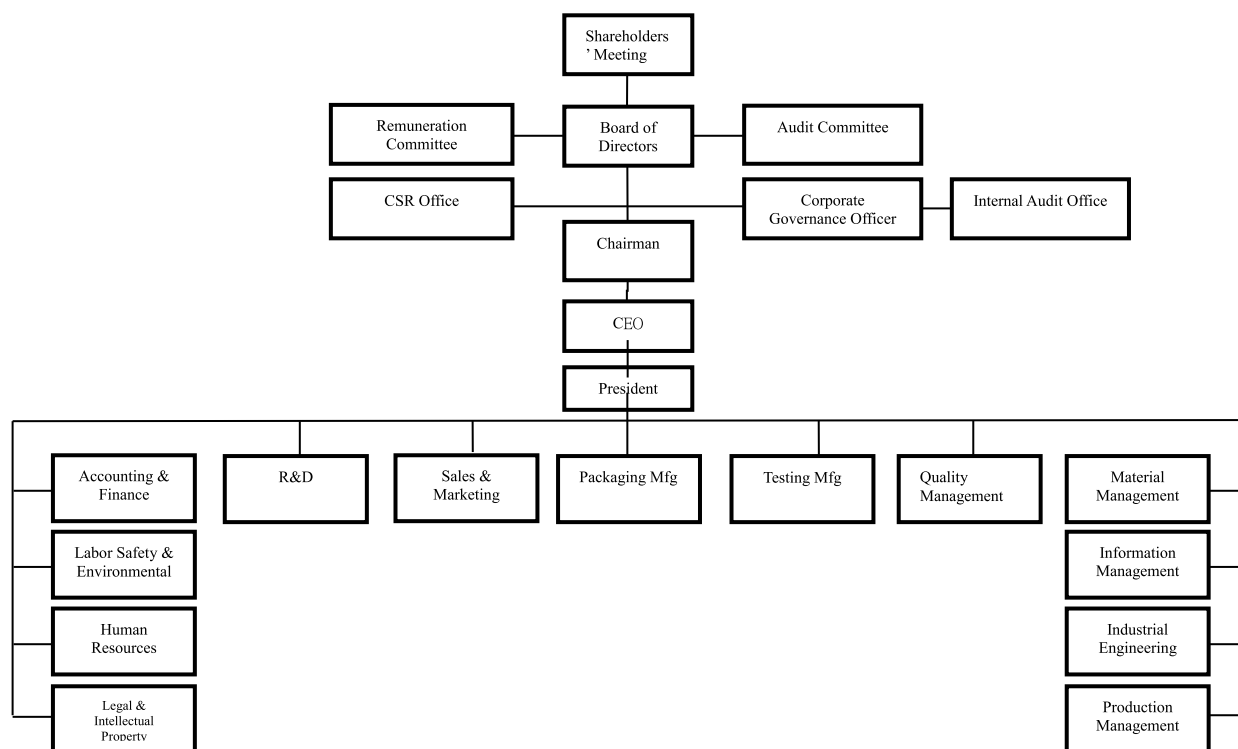


III. Corporate Governance

1. Company Organization



Responsibilities of Major Sections:

Major Section	Responsibilities
Chairman	Leading corporate strategies and objectives. Execute and monitor for continuing improvement.
CEO	Supervises of corporate strategies, objectives, execution of overall business and operations.
President	Management of corporate strategies, objectives, execution of overall business and operations.
Corporate Governance Officer	Handling of matters relating to Board and Shareholders' meetings in compliance with law.
CSR Office	Responsible for corporate social responsibility regulation and execution. Risk management and emergency handling.
Internal Audit Office	Responsible for reviewing and assessing the effectiveness of the implementation of the Company's internal control system.
Accounting & Finance	Responsible for finance, accounting and shareholder services.
Labor Safety & Environmental Protection	Responsible for factory safety and labor's occupational health and hazard.
Human Resources	Responsible for Human Resources regulation creation and execution. Employee welfares and relationships.
Legal & Intellectual Property	Responsible for contract review, legal matters, and intellectual property management.
Research & Development	Responsible for development of new products.
Sales & Marketing	Responsible for market survey, development, and customer contact and coordination.
Packaging Manufacturing	Responsible for product packaging production and related process analysis, equipment maintenance.
Testing Manufacturing	Responsible for the production and related product testing process analysis, equipment maintenance.
Quality Management	Responsible for quality management policies, the design and implementation of quality indicators, customer complaints, reliability testing and equipment calibration.
Materials Management	Responsible for production scheduling, raw material procurement, warehousing and transportation management.
Information Management	Responsible for setting up and maintaining the information system.
Industrial Engineering	Responsible for facility layout planning and efficiency enhancement.
Production Management	Responsible for production capacity planning and scheduling.

2. Board of Directors, Independent Directors, CEO, Vice Presidents, Assistant Vice Presidents, Head of Each Department and Subsidiaries

(1) Information Regarding Board of Directors and Independent Directors

Information Regarding Directors and Independent Directors (I)

Mar 31, 2021

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Directors Whose Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers		
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name Relation	
Chairman	D.K. Tsai	ROC	5/28/2020	Male	3 years	6/23/1999	4,130,000	0.53%	4,130,000	0.53%	-	0.00%	-	0.00%	Industrial Engineering from Taipei Institute of Technology General Manager, Kingston Technology Far East Corp. Chairman, Kingston Technology Far East Corp.	CSO of Powertech Technology Inc. Chairman of Greattek Electronics Inc. Director of Powertech Holding (B.V.I.) Inc. Director of PTI Technology (Singapore) Pte. Ltd. Director of Powertech Technology (Singapore) Pte. Ltd. Director of Powertech Technology (Suzhou) Ltd. Executive Director of Powertech Technology Japan Ltd. Director of Tera Probe, Inc. Director of Powertech Technology Akita Inc. Independent Director of Compal Electronics, Inc. Independent Director of Chicony Chairman of PTI Education Foundation	-	-	-

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Directors Whose Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers	
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name
Director	J.Y. Hung	ROC	5/28/2020	Male	3 years	5/26/2017	200,000	0.03%	190,000	0.02%	0	0.00%	0	0.00%	Master of Industrial and Information Management from National Cheng Kung University Sr. VP of Siliconware Precision Industries Co. Ltd., Chairman & CEO of Smaack International Corp. President & CEO of Powertech Technology Inc.	None		
Director	J.S. Leu	ROC	5/28/2020	Male	3 years	5/28/2020	62,356	0.01%	62,356	0.01%	0	0.00%	0	0.00%	Bachelor of Mechanical Engineering from Feng Chia University Deputy Director, Packaging Manufacturing, Powertech Technology Corp.	President of Powertech Technology Inc. Chairman of Powertech Technology (Suzhou) Ltd. Chairman of Powertech Semiconductor (Xi'an) Co., Ltd Legal Representative Director of Greatek Electronics Inc. Director of PTI Technology (Singapore) Pte. Ltd Director of Powertech Technology (Singapore) Pte. Ltd.		
Director	Kingston Technology Corp. Investment Account Rep: Shigeo Koguchi	USA.	5/28/2020	Male	3 years	5/26/2017	29,875,000 0	3.83% 0.00%	29,875,000 0	3.83% 0.00%	0	0.00%	0	0.00%	Master of Engineering from University of Florida Master of Engineering from Hokkaido University Sr. Executive VP. Of Toshiba Corp. Director and Senior Advisor of Toshiba Corp.	None		

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Directors Whose Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers	
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name
Director	Kingston Technology Corp. Investment Account Rep: Daphne Wu	USA	5/28/2020	Female	3 years	5/26/2017	29,875,000 0	3.83% 0.00%	29,875,000 9,000	3.83% 0.00%	0	0.00%	0	0.00%	Bachelor of Accountancy from National Chengchi University CFO of Kingston Technology Far East Corp.	CFO of Kingston Technology Far East Corp. Legal Representative Director of Orient Semiconductor Electronics Ltd. Supervisor of Kingston Solution Inc.	-	-
Director	Kingston Technology Corp. Investment Account Rep: J.S. Leu	ROC	5/26/2017	Male	3 years	5/26/2017	29,875,000 62,356	3.83% 0.01%	29,875,000 62,356	3.83% 0.01%	0	0.00%	0	0.00%	Bachelor of Mechanical Engineering from Feng Chia University Deputy Director for Packaging Manufacturing of Powerchip Technology Corp.	President of Powertech Technology Inc. Chairman of Powertech Technology (Suzhou) Ltd. Chairman of Powertech Semiconductor (Xi'an) Co., Ltd Legal Representative Director of Greatek Electronics Inc. Director of PTI Technology (Singapore) Pte. Ltd Director of Powertech Technology (Singapore) Pte. Ltd	-	-

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers		
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
Director	Kingston Technology Corp Investment Account Rep: Evan Tseng	USA	5/26/2017	Male	3 years	5/26/2017	29,875,000 2,000	3.83% 0.00%	29,875,000 2,000	3.83% 0.00%	0	0.00%	0	0.00%	Master of Accountancy from Soochow University Sr. A.V.P of Systex Corp.	Sr. VP & CFO of Powertech Technology Inc. Chairman of Tera Probe, Inc. Director of Powertech Technology (Singapore) Pte. Ltd. Supervisor of Powertech Technology (Suzhou) Pte. Ltd. Director of Powertech Semiconductor (Xi'an) Co., Ltd. Director of Tera Probe, Inc. Chairman of TeraPower Technology Inc. Representative Director of Powertech Technology Akita Inc. Legal Rep Director of Greatek Electronic Inc. Supervisor of Tsai Lin Pu Social Welfare Foundation	-	-	-
Director	Greatek Electronic Inc. Rep: Boris Hsieh	ROC	5/28/2020	Male	3 years	5/28/2020	4,750,000 0	0.61% 0%	6,170,000 0	0.79% 0%	0	0.00%	0	0.00%	Executive Master Degree in Business Administration from National Chiao Tung University General Manager of Kingston Technology Far East Corp. VP of Hon Hai Precision Industry Co Ltd Sr. VP of Powertech Technology Inc President of Microtech Technology Inc.	CEO of Powertech Technology Inc. Board of Director & CEO of Greatek Electronics Inc.			

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Directors Whose Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers			
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation	
Director	Toshiba Memory Semiconductor Taiwan Corp. Rep: Kenjiro Hara	ROC	5/28/2020	Male	3 years	6/14/2005	3,655,309 0	0.47% 0.00%	3,655,309 0	0.47% 0.00%	0	0.00%	0	0.00%	Master of Mechanical Engineering from Tokyo University of Science Director of Procurement of Toshiba Memory Corporation	Chairman & President of Koxia Memory Semiconductor Taiwan Corp.				
Independent Director	Jim W.L. Cheng	ROC	5/28/2020	Male	3 years	6/13/2008	191,614	0.04%	191,614	0.03%	0	0.00%	0	0.00%	Bachelor of Business Administration from Fu-Jen Catholic University Finance Manager of Yungtay Engineering Co., Ltd. President & Finance VP of Taiwan Calsonic Co. Ltd.	Chairman of Taiwan Calsonic Co. Ltd. Chairman of Yong Lien Corp. Chairman of Browave Corp Chairman of Glory Biotech Co. Ltd. Director of Center Laboratories Inc. Legal Representative Director of Lumosa Therapeutics Co. Ltd. Legal Representative Director of Yu-Cheng Consulting Co. Ltd. Legal Representative Director of Yu-Cheng Biotech Co. Ltd. Legal Representative Director of Uni-Calsonic Co., Ltd. Legal Representative Director Rep. of Chuang-Yi Biotech Co., Ltd. Legal Representative Director of Galc Biotech Co., Ltd. Legal Representative Director of Yu Sheng				

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Directors Whose Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers	
							Shareholding	%	Shareholding	%	Shareholding	%	Shareholding	%			Title	Name
Independent Director	Quincy Lin(Note)	ROC	5/26/2017	Male	3 years	6/20/2002	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Ph.D of Business Administration from University of Kentucky MBA from National Chiao Tung University Bachelor of Electronic Engineering from Chiao Tung University Sr. VP of Taiwan Semiconductor Manufacturing Company Chairman of Neo Solar Power Corp.	Chairman of General Energy Solutions Inc. Chairman of Rafael Micon Inc. Director of Neo Solar Power Corp. Independent Director of Chroma ATE Inc.	-	-
Independent Director	Philips Wei(Note)	ROC	5/26/2017	Male	3 years	5/26/2017	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Finance from National Cheng Chi University Bachelor of Transportation Study from National Cheng Kung University Chairman of China Airline Inc.	Chairman of Fortune Information System Corp. Director of CyberSoft Digital Service Corp. Independent Director of Orient Semiconductor Electronics Ltd. Supervisor of Tai Hsin Insurance Agency (Non-Profit Organization)	-	-
Independent Director	Pei-Ing Lee	ROC	5/28/2020	Male	3 years	5/26/2017	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Ph.D. in Chemical Engineering from Syracuse University, New York Chairman of Inotera Memories, Inc.	Director & President of Nanya Technology Corp. Legal Representative Director of Formosa Advanced Technologies Co. Ltd.	-	-
Independent Director	Morgan Chang	ROC	5/28/2020	Male	3 years	5/28/2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor Degree in Computer and Control Engineering from National Chiao Tung University Manager of Acer Inc. Chairman of Kuang Chien Computer Co. Ltd. Deputy Mayor of Taichung City	Taiwan National Policy Advisor to the President CEO of Kuang Chien Computer Co. Ltd. Supervisor of Eastern Resins Industrial Co. Ltd.	-	-

Title	Name	Nationality	Date On-Board	Gender	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Directors or Independent Spouses or within Second-degree Relative of Consanguinity to Each Other or other Managers	
							Shareholding %	Shareholding %	Shareholding %	Shareholding %	Shareholding %	Shareholding %	Title	Relationship				
Independent Director	Jui-Tsung Chen	ROC	5/28/2020	Male	3 years	5/28/2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Honorary Doctorate from National Cheng Kung University Chairman of Compal Communications, Inc. President of Compal Electronics, Inc.	Vice Chairman & CSO of Compal Electronics, Inc. (Note 1)		

Note: 9th Annual directors and independent directors were elected in 2020 Shareholders' Meeting. Kingston Technology Corp Investment Account went from 4 to 2 seats of board after the election in 2020. Independent director Quicy Lin and Philip Wei were retired from the board.

Note 1: Independent director Jui-Tsung Chen currently holding the following position:

Chairman for: Arcadyan Technology Corporation, Ripal Optotronics Co., Ltd., UniCore Biomedical Co., Ltd., Aco Smartcare Co., Ltd., ARCE Therapeutics, Inc., Palcom International Corporation, General Life Biotechnology Co., Ltd., Ray-Kwong Medical Management Consulting Co., Ltd., Raycore Biotech Co., Ltd., Compal System Trading (Kunshan) Co., Ltd., Chengdian Culture and Education Foundation, Compal Electronics, Inc.,
Board of Director for: UNICOM GLOBAL, INC., Compal Broadband Networks, Inc., Kinpo Electronics, Inc., Kinpo Group Management Consultant Company, Mactech Co., Ltd., HengHao Technology Co. Ltd., Compal Investment (Jiangsu) Co., Ltd., Compal Management (Chengdu) Co., Ltd., Compal Optoelectronics (Kunshan) Co., Ltd., Compal Investment (Sichuan) Co., Ltd., Compal Electronics Technology (Kunshan) Co., Ltd., Compal Electronics (Chengdu) Co., Ltd., Compal Information Technology (Kunshan) Co., Ltd., Compal Information (Kunshan) Co., Ltd., Compal Electronics Technology (Kunshan) Co., Ltd., Compal Electronics (Chengdu) Co., Ltd., Compal Electronics (ChongQing) Co., Ltd., Compal Electronics, (China) Co., Ltd., Compal Digital Technology (Kunshan) Co., Ltd., Kunshan Botai Electronics Co., Ltd., Compal Networking (Kunshan) Co., Ltd., Ascendant Private Equity Investment Ltd., Big Chance International Co., Ltd., Billion Sea Holdings Limited, Bizcom Electronics, Inc., Center Mind International Co., Ltd., Compal Display Holding (HK) Limited, Compal Electronics (Holding) Ltd., Compal Electronics International Ltd., Compal International Holding Co., Ltd., Compal International Holding (HK) Limited, Compal International Ltd., Compal Rayonnant Holdings Ltd., Compal Electronics Europe, Core Profit Holdings Ltd., Etrade Management Co.,Ltd., Flight Global Holding Inc., Forever Young Technology Inc., Fortune Way Technology Corp., Giant Rank Trading Limited, Goal Reach Enterprises Ltd., High Shine Industrial Corp., Intelligent Universal Enterprise Ltd., Jenpal international Ltd., Just International Ltd., Prisco International Co., Ltd., Prospect Fortune Group Ltd., Smart International Trading Ltd., Weptek Technology Co., Ltd., Compal (Vietnam) Co., Ltd., Compal Development & Management (Vietnam) Co., Ltd., Arcadyan Holding (BVI) Corp., Arcadyan Technology N.A. Corporation, Arch Holding (BVI) Corp., Sinoprime Global Inc., Wah Yuen Technology Holding Ltd., Compal Wise Electronic (Vietnam) Co., Ltd.

For Directors or Committee Members that are representatives of Institutional Shareholders, the main shareholders of the Institutional Shareholders (the Top Ten Shareholders)

Apr 2, 2021

Name of Institutional Shareholder	Main Shareholders of the Institutional Shareholders
Kingston Technology Corporation Investment Account	John Tu (50%), David Sun (50%)
Createk Electronic Inc.	Powertech Technology Inc. (42.9%), Weltrend Semiconductor, Inc. (1.72%), Citibank Taiwan in Custody for Norges Bank Investment Account (1.28%), CTBC Bank Co., Ltd (1.23%), Su-yu Wu(1.14%), Hung-Wei Venture Capital Co., Ltd (1.02%), Chu-sha Yang (1.01%), Chang Wah Electro-materials Inc. (1.01%), Cheng-shen Chu (0.94%), Citibank Taiwan in Custody for Georgetown Emerging Market Fund (0.94%)
Kioxia Memory Semiconductor Taiwan Corp.	Kioxia Corporation (100%)

The main shareholders of the Institutional Shareholders in Table above whose main shareholders are Institutional Shareholders:

Apr 2, 2021

Name of Institution	Main Shareholders of the Institution
Powertech Technology Inc.	China Life Insurance Co., Ltd.(4.64%), Investment Account of Kingston Technology Corporation(3.83%), Cathay Life Insurance Co. Ltd.(2.83%), Hermes Investment Funds Public Limited Company(2.51%), Nan Shan Life Insurance Co., Ltd.(2.36%), Fubon Life Insurance Co. Ltd.(1.91%), New Labor Pension Fund(1.84%), KTC-SUN Corp.(1.77%), Kuwait Investment Authority(1.58%), Yuanta Taiwan High-yield Leading Company Fund(1.41%)
Weltrend Semiconductor, Inc.	Rui-Min Chang(3.64%), Fulfund Investment Inc. (3.49%), Sam Lin (2.75%), JP Morgan Chase Bank in Custody for Norges Bank Investment Account (1.60%), Citibank (Taiwan) Ltd. in Custody for Polunin Emerging Market Fund (1.53%), James Chou (1.37%), JPMorgan Chase Bank N.A.Taipei Branch in Custody Vanguard Emerging Markets Stock Index Fund (1.25%), Taiwan Cooperative Bank (1.21%), JP Morgan Chase Bank in Custody for Vanguard Total International Stock Index Fund (1.15%), JC Liu (0.97%)
CTBC Bank Co., Ltd.	CTBC Financial Holding Co., Ltd. (100%)
Hung-Wei Venture Capital Co., Ltd.	Realtek Semiconductor Corp.(100%)
Chang Wah Electro-materials Inc..	Wah Lee Industrial Corp. (30.98%), Shin-shin Investment Inc.(8.75%), Fubon Life Assurance Co. Ltd .(7.55%), Yuan-yao Energy Inc.(6.58%), Citibank (Taiwan) Ltd. in custody for Government of Singapore(6.42%), JMC ELECTRONICS CO., LTD (1.94%), Citibank (Taiwan) Ltd. in custody for Monetary Authority of Singapore (1.93%), Chia-lin Investment Inc.(1.68%), Bestjet Investment Inc. (1.59%), Chia-neng Huang(1.57%)
Kioxia Corporation	Kioxia Holdings Corporation (100%)

Information Regarding Board of Directors (II)

Apr 30, 2021

Criteria	Meet One of the Following Professional Qualification Requirements, together with at least five years of work experiences			Conform to Independent Status (Note 1)								Number of Other Taiwan Public Companies Concurrently Serving as an Independence Status			
	An instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Dept related to the Business Needs of the Company in a public or private Junior College, College, or University	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialists Who has passed a National Examination and been Awarded a certificate in a Profession necessary for the Business of the Company	Have work Experience in the area of Commerce, Law, Finance, Accounting, or Otherwise necessary for the business of the Company	1	2	3	4	5	6	7	8		9	10	
Name															Independent Directors of Compal Electronics, Inc., and Chicony Electronics CO., Ltd
D.K. Tsai			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
J.Y. Hung			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
J.S. Leu			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Kingston Technology Corporation Rep.: Shigeo Koguchi			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Kingston Technology Corporation Rep.: Daphne Wu			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Greatek Electronic Inc. Rep.: Boris Hsieh			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Kioxia Semiconductors Taiwan Corp. Rep.: Kenjiro Hara			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim W.L. Cheng			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Pei-Ing Le			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Morgan Chang			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓
Jui-Tsung Chen			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓

Note 1: Board of Directors and Independent Directors during the two years before being elected or during the term of office, meet any of the following conditions, please tick the appropriate corresponding boxes:

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor for the Company or any of its affiliates. Independent directors of parent and subsidiaries companies are excluded.
- (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 officer in the preceding 1 subparagraph, or of any of the above persons in the preceding subparagraphs 2 and 3
- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company
- (9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000";
- (10) Not a spouse, relative within the second degree of kinship of any director.
- (11) Not been a person of any conditions defined by Article 30 of the Company Law.
- (12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

(2) Information Regarding President, Vice Presidents, Assistant Vice Presidents, and Department Managers

Mar 31 2021 / Unit: share

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
CSO	D.K. Tsai	ROC	Male	11/02/2018	4,130,000	0.530%	-	-	-	-	Industrial Engineering from Taipei Institute of Technology General Manager of Kingston Technology Far East Corp. Chairman of Kingston Technology Far East Corp.	Chairman of Powertech Technology Inc. Chairman of Greatek Electronics Inc. Board Director of Powertech Holding (B.V.I.) Inc. Board Director of PTI Technology (Singapore) Pte. Ltd. Board Director of Powertech Technology (Singapore) Pte. Ltd. Board Director of Powertech Technology (Suzhou) Ltd. Executive Director of Powertech Technology Japan Ltd. Board Director of Tera Probe, Inc. Board Director of Powertech Technology Akita Inc. Independent Director of Compal Electronics, Inc. Independent Director of Chicony Power Technology Co. Ltd. Chairman of PTI Education Foundation	-	-	-
President & CEO	J. Y. Hung (Note 1)	ROC	Male	11/8/2013	190,000	0.024%	-	-	-	-	Master of Industrial and Information Management from National Cheng Kung University, Sr. VP of Siliconware Precision Industries Co. Ltd., President of Powertech Technology Inc. Chairman & CEO of Simaike Co. Ltd.	Director of Powertech Technology Inc.	-	-	-

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
CEO	Boris Hsieh	ROC	Male	10/01/2020	0	0.000%					Executive Master Degree in Business Administration from National Chiao Tung University General Manager of Kingston Technology Far East Corp. VP of Hon Hai Precision Industry Co Ltd Sr. VP of Powertech Technology Inc. President of Microtech Technology Inc.	CEO of Powertech Technology Inc. Board of Director & CEO of Greatek Electronics Inc.			
President & COO	J.S. Leu	ROC	Male	10/01/2020	62,356	0.008%	-	-	-	-	Bachelor of Mechanical Engineering from Feng Chia University Deputy Director of Packaging Manufacturing, Powerchip Technology Corp. MBA from National Chia Tung University Assistant VP of R&D, Kingpak Technology Inc.	Board Director of Powertech Technology Inc. Chairman of Powertech Technology (Suzhou) Ltd Chairman of Powertech Semiconductor (Xian) Co., Ltd. Legal Rep Director of Greatek Electronics Inc. Chairman of TeraPower Technology Inc. Board Director of PTI Technology (Singapore) Pte. Ltd. Board Director of Powertech Technology (Singapore) Pte. Ltd.			
Quality Assurance Sr VP.	John Wang	ROC	Male	12/12/2002	91,056	0.012%	-	-	-	-		Board Director of PTI Education Foundation			

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
Information and Materials Management Sr. VP.	John Chang (Note 2)	ROC	Male	07/10/2012	0	0.000%					Master of Mechanical Engineering from University of Texas at Arlington Master of Management Sciences from National Chiao Tung University VP. of Purchasing, Chien Kuo Construction Corp. Deputy Procurement Director of ProMOS Technologies Ltd.	None			
Singapore Operation Sr. VP	Tonwey Cheng (Note 3)	ROC	Male	08/082017	429	0.000%					Bachelor of Electronic Engineering from National Sun Yat-sen University VP of King Yuan Electronic Co., Ltd. VP of Powertech Technology Inc.	VP of Greatek Electronic Inc.			

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
Sales Strategy Sr.VP	Phu Le	USA	Male	04/01/2011	0	0.000%					Bachelor of Mechanical Engineering from Shibaura Institute of Technology, Assembly Package Engineering Manager of Toshiba Microelectronics America Corp. Director of Assembly Package Operations of Payton Technology Corp. Sales Director of Kingston Technology Corp.	Board Director of Tera Probe, Inc.			
Sr. VP & CFO	Evan Tseng	ROC	Male	05/01/2015	2,000	0.000%					Master of Accountancy from Soochow University Sr. AVP of Systex Corp.	Chairman of TeraPower Technology Inc. Board Director of Powertech Technology (Singapore) Pte. Ltd. Board Supervisor of Powertech Technology (Suzhou) Ltd. Board Director of Powertech Semiconductor (Xian) Co., Ltd. Board Director of Tera Probe, Inc. Representative Director of Powertech Technology Akita Inc. Legal Rep Director of Greatek Electronic Inc. Supervisor of Tsai Lin Pu Social Welfare Foundation			
Packaging Operations I VP	Y. C. Chen	ROC	Male	03/09/2010	0	0.000%					Bachelor of Industrial Engineering from Chung Yuan Christian University Mfg Manager of PowerChip Technology Corp.	Board Director of PTI Education Foundation			

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
Packaging Operations II VP	Paul Wu	ROC	Male	03/09/2010	0	0.000%					Bachelor of Mechanical Engineering from Tamkang University Director of Amkor Taiwan	Board Director of PTI Education Foundation			
Testing Operations VP	Wilber Wu	ROC	Male	03/09/2010	15,786	0.002%					Master of Industrial Engineering from Chung Yuan Christian University Department Manager of PowerChip Technology Corp.	Legal Rep Director of TeraPower Technology Inc. Board Director of PTI Education Foundation			
Module Operations VP	Y.C. Chi	ROC	Male	05/10/2012	0	0.000%	25,000	0.003%			EMBA from National Central University Department Manager of PowerChip Technology Corp.	None			
Memory Packaging R&D VP	David Fang	ROC	Male	05/01/2015	0	0.000%					Bachelor of Electronics Engineering from Chung Yuan Christian University Texas Instrument Inc. Holtek Semiconductor Inc. Deputy Manager of PowerChip Technology Corp.	None			

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers			
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation	
Plant Affairs VP	Perry Lin	ROC	Male	01/11/2019	20,715	0.003%					Associate degree of Mechanical Engineering from Minghsin Institute of Science & Technology Manager of Kingston Technology Far East Corp.	None				
Human Resources & Legal Affairs VP.	Yohan Lin	ROC	Male	01/11/2019	180,000	0.023%					J.D from Law School of Golden Gate University Attorney of PricewaterhouseCoopers Taiwan	Board Supervisor of Powertech Semiconductor (Xian) Co., Ltd Board Supervisor of Powertech Technology Akita Inc. Board Supervisor of TeraPower Technology Inc. Board Director of PTI Education Foundation				
Sales VP	Kevin Chiao	ROC	Male	10/01/2020	0	0.000%					Master of Industrial Engineering and Management from National Chiao Tung University Manager of Motorola, Inc. Manager of Macronix International Co., Ltd	None				
Logic Testing R&D AVP	Vic Chen	ROC	Male	05/10/2012	87,000	0.011%					Master of Electrical Engineering from National Taiwan Science & Technology University AVP of Verigy Ltd. AVP of Agilent Technology Taiwan Ltd.	None				

Title	Name	Nationality	Gender	Date On-Board	Shareholding		Shareholding Under Spouse and Minor Children		Shareholding Under 3 rd Party Name		Education & Selected Past Positions	Selected Current Positions at PTI & Other Companies	Managers Whose Spouses or within Second-degree Relative of Each Other or other Managers		
					Shareholding	%	Shareholding	%	Shareholding	%			Title	Name	Relation
Packaging Mfg AVP	Gary Chang (Note 4)	ROC	Male	08/01/2014	0	0.00%	0	0.00%	0	0.00%	Bachelor of Industrial Engineering from Feng Chia University Deputy Manager of PowerChip Technology Corp.	None			
WLP AVP	Victor Tung	ROC	Male	03/01/2016	0	0.00%	3,000	0.00%			Master of Industrial Engineering from Yuan Ze University Sr. Director of Amkor Taiwan	None			
Production Planning AVP	Jonny Chu	ROC	Male	11/06/2020	0	0.00%					Bachelor of Business Administration from Feng Chia University Manager of Amkor Taiwan	None			

Note 1: J.Y. Huang served as board director after resigned as President & CEO on Sep 30 2020.

Note 2: John Chang resigned from Sr. VP of Information and Materials Management on Dec 31 2020. Listed share position was as of Dec 31 2020.

Note 3: Tonwey Cheng resigned from Singapore Operation Sr. VP on Jan 31 2021. Listed share position was as of Jan 31 2021.

Note 4: Job position change for packaging mfg AVP Gary Chang on Mar 16, 2019. Listed share position was as of Feb 29 2020.

(3) Remuneration Paid to Directors, CEO, and Vice Presidents

1. Remuneration Paid to Directors

Unit : NT\$ Thousands

Title	Name (Note 1)	Director's Remuneration						Total Remuneration (A+B+C+D) as % of 2017 Net Income (Note 10)		Compensation Earned by Director Who is also an Employee of PTI or PTI's Consolidated Entities						Total Compensation (A+B+C+D+E+ F+G) as % of 2017 Net Income (Note 10)		Compensati on Paid to Directors from Nonconsoli dated Affiliates		
		Base Compensation (A)(Note 2)		Severanc e Pay and Pensions (B)	Compensation to Directors (C) (Note 3)	Allowances (D) (Note 4)	Total Remuneration (A+B+C+D) as % of 2017 Net Income (Note 10)		Base Compensation, Bonuses, and Allowances (E)(Note 5)		Severance Pay and Pensions (F)		Employee Profit Sharing (G) (Note 6)		Total Compensation (A+B+C+D+E+ F+G) as % of 2017 Net Income (Note 10)					
		From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	Cash	Stock (Fair Market Value)	From PTI	From All Consolidated Entities	From PTI(%)	From All Consolidated Entities(%)			
Chairman	D.K. Tsai (Note 11)																			
Director	J.Y. Hung																			
Director	JS Leu																			
Director	Kingston Technology Corporation Rep: Shigeo Koguchi																			
Director	Rep: Daphne Wu	0	0	0	0	89,941	121,888	840	1,320	1.36	1.85	48,507	52,017	0	135	14,975	0	2.32	2.86	NA
Director	Rep: JS Leu(Note)																			
Director	Rep: Evan Tseng(Note)																			
Director	Greatek Electronic Inc. Rep: Boris Hsieh																			
Director	Kioxia Memory Semiconductors Taiwan Corp. Rep: Kenjiro Hara																			
Independent Director	Jim W.L Cheng																			
Independent Director	Quincy Lin (Note)	8,320	8,320	0	0	0	0	480	480	0.13	0.13	0	0	0	0	0	0	0.13	0.13	NA
Independent Director	Phillips Wei (Note)																			
Independent Director	Pei-Ing Lee																			
Independent Director	Morgan Chang																			

Title	Name (Note 1)	Director's Remuneration					Total Remuneration	Compensation Earned by Director Who is also an Employee of PTI or PTI's Consolidated Entities					Total Compensation	Compensati on Paid to
Independent Director	Jui-Tsung Chen													

1. Independent director's compensation policy, procedure, standard and structure are dependent on liability, risk, and time involved.

Base on the Article of Incorporation, independent director compensation will be distributed monthly exclude from annual board compensation. Independent director compensation will be dependent on contribution and involvement of operations and approved by board. The approved compensation should also be reasonable with domestic and international peers.

2. Additional compensation for services for company disclosed in the annual report (such as outside consultant); NA

Note: 9th Annual directors and independent directors were elected in 2020 Shareholders' Meeting. Kingston Technology Corp Investment Account went from 4 to 2 seats of board after the election in 2020. Independent director Quicy Lin and Philip Wei were retired from the board.

Remuneration Paid to Directors Grade Table

Grade Scale of Remuneration paid to each director of PTI	Name of Director			Total Remuneration (A+B+C+D+E+F+G)	From All Consolidated Entities (Note 9)
	From PTI (Note 8)	Total Remuneration (A+B+C+D)	Total Remuneration (Note 8)		
Under NTS 2,000,000	Quincy Lin, Philips Wei, Pei-Ing Lee, Morgan Chang, Jui-Tsung Chen	Quincy Lin, Philips Wei, Pei-Ing Lee, Morgan Chang, Jui-Tsung Chen	Quincy Lin, Philips Wei, Pei-Ing Lee, Morgan Chang, Jui-Tsung Chen	Quincy Lin, Philips Wei, Pei-Ing Lee, Morgan Chang, Jui-Tsung Chen	Quincy Lin, Philips Wei, Pei-Ing Lee, Morgan Chang, Jui-Tsung Chen
NTS 2,000,000 ~ NTS 4,999,999	Jim WL Cheng Kingston Technology Corporation Investment Account (Rep: JS Leu, Evan Tseng)	Jim WL Cheng Kingston Technology Corporation Investment Account (Rep: JS Leu, Evan Tseng)	Jim WL Cheng	Jim WL Cheng	Jim WL Cheng
NTS 5,000,000 ~ NTS 9,999,999	Kingston Technology Corporation Investment Account (Rep: Shigeo Koguchi, Daphne Wu)	Kingston Technology Corporation Investment Account (Rep: Shigeo Koguchi, Daphne Wu)	Kingston Technology Corporation Investment Account (Rep: Shigeo Koguchi, Daphne Wu, JS Leu)	Kingston Technology Corporation Investment Account (Rep: Shigeo Koguchi, Daphne Wu, JS Leu)	Kingston Technology Corporation Investment Account (Rep: Shigeo Koguchi, Daphne Wu, JS Leu)
NTS 10,000,000 ~ NTS 14,999,999	JY Hung JS Leu Greatek Electronic Inc. Kioxia Memory Semiconductor Taiwan Corp.	JY Hung JS Leu Kioxia Memory Semiconductor Taiwan Corp.	JY Hung JS Leu Greatek Electronic Inc.	JY Hung JS Leu Greatek Electronic Inc.	Kingston Technology Corporation Investment Account (Rep: Evan Tseng) Kioxia Memory Semiconductor Taiwan Corp.
NTS 15,000,000 ~ NTS 29,999,999	D.K. Tsai	Greatek Electronic Inc.	D.K. Tsai	D.K. Tsai	JY Hung JS Leu Greatek Electronic Inc.
NTS 30,000,000 ~ NTS 49,999,999	—	D.K. Tsai	D.K. Tsai	—	Greatek Electronic Inc.
NTS 50,000,000 ~ NTS 99,999,999	—	—	—	—	D.K. Tsai
Over NTS 100,000,000	—	—	—	—	—
Total Director Count	15	15	15	15	15

Note 1: The names of all directors are listed individually (institutional shareholders by the name of institutional shareholders and its representatives). The remuneration is disclosed by summary for each item. Because two directors or representatives serve as CEO and president, they are excluded from this table and will be listed in Table 3 below.

Note 2: Remuneration paid for 2020. According to the latest Article of Incorporation, independent directors' compensation will be paid monthly and no longer in title to annual profits sharing plan.

Note 3: Remuneration paid for 2020 profit sharing plan before the amendment of Board remuneration plan.

Note 4: Compensation for traveling.

Note 5: Includes 2020 salaries, wages, allowances, pensions, severance pay, bonuses, incentives, traveling expenses, special expenses, dormitories, vehicles and other offers received as both employees and directors.

Note 6: The amount was employees served as Board members and received employee's profit sharing. The amount was estimated by ratio of year of 2019 actual amount multiple by year of 2020 distribution rate because the actual amount was pending for shareholders meeting approval.

Note 7: Discloses the total remuneration by item paid to company's directors from all consolidated entities (including PTI).

Note 8: The total remuneration paid to each director by item from PTI, including the grade and disclosure of director's name.
 Note 9: The total remuneration paid to each director by item from all consolidated entities (including PTI), including the grade and disclosure of director's name.
 Note 10: After-tax net income refers to the after-tax net income of the PTI financial statements for 2020.
 Note 11: One dedicated fulltime employee served as Chairman driver who was eligible for wages, bonuses, and benefits.

2. Remuneration Paid to President and Vice President

Title	Name (Note 1)	Salary (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances(C) (Note 3)		Employee Profit Sharing (D) (Note 4)				Total Remuneration (A+B+C+D) as % of 2017 Net Income (%)		Compensation Received from Non-consolidated Affiliates		
		From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities	From All Consolidated Entities		From PTI	From All Consolidated Entities	From PTI	From All Consolidated Entities			
								Cash	Stock (Fair Market Value)							
CSO	D.K. Tsai															
President & CEO	J.Y. Hung (Note)															
CEO	Boris Hsieh															
President & COO	J.S. Leu															
Quality Assurance Sr. VP.	John Wang															
Information and Materials Management Sr. VP.	John Chang (Note 1)															
Singapore Operation Sr. VP.	Tonwey Cheng (Note 1)															
Sales Management Sr. VP.	Phu Le	51,109	54,402	0	0	68,028	68,278	23,797	0	23,797	0	2.15%	2.20%	NA		
Sr. VP. & CFO	Evan Tseng															
Packaging Operations I VP.	Y.C. Chen															
Packaging Operations II VP.	Paul Wu															
Testing Operations VP.	Wilber Wu															
Module Operations VP.	Y.C. Chi															
Research & Development VP	David Fan															
Plant Affairs VP	Perry Lin															
Human Resources & Legal Affairs VP.	Yolian Lin															
Sales VP	Kevin Chiao															

Remuneration Paid to President and Vice President Grade Table

Grade Scale of Remuneration paid to each of PTI's CEO, President, and Vice Presidents	Name	
	From PTI (Note 7)	From All Consolidated Entities (Note 8)
Under NT\$ 2,000,000	—	—
NT\$ 2,000,000 ~ NT\$ 4,999,999	Tonwey Cheng, Phu Le	Phu Le
NT\$ 5,000,000 ~ NT\$ 9,999,999	J.Y. Hung, John Wang, John Chang, YC Chen , Paul Wu ,Wilber Wu, YC Chi, David Fan, Perry Lin , Yohan Lin, Kevin Chiao	J.Y. Hung, John Wang, John Chang, YC Chen, Paul Wu, Wilber Wu, YC Chi, David Fan, Perry Lin, Yohan Lin, Kevin Chiao
NT\$ 10,000,000 ~NT\$ 14,999,999	Boris Hsieh, Evan Tseng	Boris Hsieh, Evan Tseng
NT\$ 15,000,000 ~NT\$ 29,999,999	D.K. Tsai, J.S. Leu	D.K. Tsai, J.S. Leu
NT\$ 30,000,000 ~NT\$ 49,999,999	—	—
NT\$ 50,000,000 ~NT\$ 99,999,999	—	—
Over NT\$ 100,000,000	—	—
Total Number of Executives	17	17

Note: President & CEO J.Y. Hung resigned on Sep 30 2020.

Note 1: John Chang resigned from Sr. VP of Information and Materials Management on Dec 31 2020. Tonwey Cheng resigned from Singapore Operation Sr. VP on Jan 31 2021.

Note 2: The names of CEO, President, and Vice Presidents are separately listed, and total remuneration disclosed for each item paid. Director serving as CEO and President are listed in this table and Table 1.

Note 3: Remuneration included President and Vice President Payrolls and incentives in 2020.

Note 4: Remuneration included President and Vice President Bonuses, transportation incentives, special allowances, and other incentives in 2020. .

Note 5: The amount was estimated using 2020 profit sharing ratio and approved by 2019 Board Meeting. Details listed in Table 3.

Note 6: The amount was the summary remuneration paid to company's CEO, President, and Vice Presidents from all consolidated entities.

Note 7: Each executive management compensation was disclosed in range.

Note 8: All compensation from consolidated statements was disclosed by range for each executive management.

Note 9: After tax net income refers to the after tax net income of the PTI financial statements for 2020.

3. Bonuses Paid to Management

Date: Dec 31 2020

	Title	Name	Stock (Fair Market Value)	Cash(NTD K)	Total(NTD K)	Total as % of 2020 Net Income
Management	CSO	D.K. Tsai	0	26,676	26,676	0.40%
	President & CEO	J.Y. Hung (Note)				
	CEO	Boris Hsieh				
	President & COO	J.S. Leu				
	Quality Assurance Sr. VP.	John Wang				
	Information and Materials Management Sr. VP.	John Chang (Note)				
	Singapore Operations Sr. VP.	Tonwey Cheng (Note)				
	Sales Strategy VP.	Phu Le				
	Finance & Investment Management Sr. VP. & CFO	Evan Tseng				
	Packaging Operations I VP.	Y.C. Chen				
	Packaging Operations II. VP.	Paul Wu				
	Packaging Manufacturing VP.	Y.C. Chen				
	Testing Operations VP.	Wilber Wu				
	Module Operations VP.	Y.C. Chi				
	Packaging R&D VP.	David Fang				
	Sales VP	Kevin VP				
	Plant Affairs VP.	Perry Lin				
	Human Resources & Legal Affairs VP.	Yohan Lin				
	Testing RD AVP.	Vic Chen				
	Packaging Manufacturing AVP.	Gary Chang (Note2)				
Wafer Level Packaging AVP.	Vic Dong					
Production Planning AVP	Jonny Chu					

Note: President & CEO JY Hung resigned on Sep 30 2020.

Note 1: John Chang resigned from Sr. VP of Information and Materials Management on Dec 31 2020. Tonwey Cheng resigned from Singapore Operation Sr. VP on Jan 31 2021.

Note 2: Packaging Manufacturing Assistant VP Gary Chang position change on Mar 16 2020.

Note 3: The 2020 profit sharing amount was approved by Board of Directors but pending for Shareholders' Meeting approval. The estimation was based on 2020 actual amount multiple by proposed ratio for 2019. Net income after tax for 2020 was referred to 2020 PTI financial statement net income after tax.

Note 4: Applicable grades for management are based on ruling of FSC Letter No. 0920001301 MOF March 27, 2003. The grades are listed below:

- 1) President or equivalent grade
- 2) Vice Presidents or equivalent grade
- 3) Assistant Vice President or equivalent grades
- 4) Head of Finance Department
- 5) Head of Accounting Department
- 6) Other Corporate management affairs or have signing authority

Note 5: For Directors, President, and Vice President who received employee profit sharing, in addition to filling related tables, information is contained in this table.

4. The percentage of compensation to Board, Supervisor, President, Vice President:

Title	2020 Compensation Percentage of Net Income after Tax		2019 Compensation Percentage of Net Income after Tax	
	PTI Alone	Consolidated	PTI Alone	Consolidated
Board of Director (Including Independent Director)	1.49%	1.98%	1.49%	1.70%
President and Vice President	2.15%	2.20%	2.31%	2.37%

- (1) Compensation for Board of Directors were based on the percentage defined in Article of Incorporation. 2020 compensation was based on revised Article of Incorporation which was less than 1.5% of before tax income deducted annual board and employee compensation. Independent Directors were paid monthly and not entitled to board compensation.
- (2) Compensation for President and vice President were based on corporate payroll policy and employee profit sharing policy considering individual seniority, experiences, performance, and contribution. Compensation proposal will be reviewed by Remunerations Committee and approved by Board.
- (3) Weight of 2020 Board compensation over net income were similar with 2019 due to including salary compensation of one employee who served as additional Legal Representative Director. Weight of 2020 management compensation over net income were lower than 2019 due to 2020 employee headcount increased.

4. Corporate Governance Status

(I) Board of Directors Meeting Status:

Board of Directors Meeting Status

Board election took place on May 28 2020. 6 Board Meetings took place during 2020: 3 for 8th Annual and 3 for 9th annual. The attendance status as follows:

8th Annual:

Title	Name	Attend In Person	Attend By Proxy	Attendance Rate	Note
Chairman	D.K. Tsai	3	0	100%	
Director	JY Hung	2	1	67%	
Director	Kingston Technology Corp. Rep: Shigeo Koguchi	3	0	100%	
Director	Kingston Technology Corp. Rep: Daphne Wu	3	0	100%	
Director	Kingston Technology Corp. Rep : JS Leu	3	0	100%	
Director	Kingston Technology Corp. Rep : Evan Tseng	3	0	100%	
Director	Kioxia Memory Semiconductors Taiwan Corp Rep : Kenjiro Hara	3	0	100%	
Independent Director	Jim W.L. Cheng	3	0	100%	
Independent Director	Quincy Lin	3	0	100%	
Independent Director	Philips Wei	3	0	100%	
Independent Director	Pei-Ing Lee	3	0	100%	
Accumulated Average Attendance		32	1	96.97%	

9th Annual:

Title	Name	Attend In Person	Attend By Proxy	Attendance Rate	Note
Chairman	D.K. Tsai	3	0	100%	
Director	JY Hung	3	0	100%	
Director	JS Leu	3	0	100%	

Title	Name	Attend In Person	Attend By Proxy	Attendance Rate	Note
Director	Kingston Technology Corp. Rep: Shigeo Koguchi	3	0	100%	
Director	Kingston Technology Corp. Rep: Daphne Wu	3	0	100%	
Director	Greatek Electronic Inc. Rep: Boris Hsieh	3	0	100%	
Director	Kioxia Memory Semiconductors Taiwan Corp Rep : Kenjiro Hara	3	0	100%	
Independent Director	Jim W.L. Cheng	3	0	100%	
Independent Director	Pei-Ing Lee	3	0	100%	
Independent Director	Morgan Chang	3	0	100%	
Independent Director	Jui-Tsung Chen	2	1	67%	
Accumulated Average Attendance		32	1	96.97%	

Other Remark:

1. Any of the following situation should be clearly stated board meeting date, term, proposal details, all opinions from independent directors, and responses from the Company reading Independent Director opinion:

(1) Items listed by Article 14-3 of Securities and Exchange Act:

Audit Committee has been set up complied with Article 14-3 of Securities and Exchange Act and approved by Board. Details operations of Audit Committee can be found in Audit Committee Meeting Status in next section.

(2) Other written opinion or objection from Independent Directors regarding Board approval items:

None.

2. Independent Directors should leave during discussion for matters with conflict of interest. Name of directors, proposal details, reason of conflicts and voting results:

(1) Board Meeting on Mar 10, 2020

Item 10: Management promotion and compensation adjustment

DK Tsai, HY Hung, JS Leu, and Evan Tseng were excused from the meeting due to conflict of interests. Remaining participated directors approved the proposal.

(2) Board Meeting on Jun 5, 2020

Item 4: Proposal for independent director compensation adjustment

Jim WL Cheng, Pei-Ing Lee, Morgan Chang, and Jui-Tsung Chen were excused from the meeting due to conflict of interests. Remaining participated directors approved the proposal.

(3) Board Meeting on Aug 7, 2020

Item 1: Proposal for 2019 management compensation plan

DK Tsai, HY Hung, and JS Leu were excused from the meeting due to conflict

of interests. Remaining participated directors approved the proposal.

Item 3&4: Proposal for appointed CEO and removal of non-compete clause for executives

Boris Hsieh was excused from the meeting due to conflict of interests.
Remaining participated directors approved the proposal.

3. Self-professional targets set up for the Board (ex, set up of Audit Committee, improve corporation transparency) and keep track of progress:

Review Frequency	Once a year
Review Schedule	2020 review should be completed by first quarter of 2021.
Scope	Individual performance evaluation for director of board, audit and remuneration committee.
Evaluation Method	Each director will be reviewed by internal and self-evaluations. Or any other proper performance evaluation method.
Review Key Items	1. Board Operation Efficiency: Evaluation should include board's dedication, quality of decision making, quality of elected member, commitment of continuing education, and quality of internal control.
	2. Individual Director Performance : Realization of director responsibility, Awareness of corporate goals and progresses, involvement of operations, establishment of corporate communication, and improvement on professional learning and internal control.
	3. Functional Director Performance : Involvement of corporate operation, realization of director responsibility, quality of decision-making and elected members, and quality of internal control.

A performance category is rated as "exceptional" if the total completion rate was 90% or higher in the survey; A performance category is rated as "acceptable" if the total completion rate was between 80% (inclusive) and 90% in the survey; A performance category is rated as "improvement needed" if the total completion rate was less than 80% in the survey;

Board Performance Evaluation				
Index	Weight	Full Score	Evaluation	Achieved%
1. Involvement of Operations	7	21	20.4	97%
2. Improvement of Board conclusion quality	11	33	32.4	98%
3. Board structure and members selection	6	18	17.4	97%
4. Board member criteria and continue education	6	18	15.6	87%
5. Internal Evaluation	5	10	9.2	92%
Total	35	100	95	95%
Command	Achieve rate at 95% which met performance requirement.			

Board Member Evaluation				
Index	Weight	Full Score	Evaluation	Achieved%
1.Management of target achievement and progress	3	15	14.18	94.5%
2.Awarness of board duties	3	15	13.45	89.7%
3.Depth of operations involvement	6	30	26.82	89.4%
4.Bounding and communicate within the operations	3	15	13.09	87.3%
5.Board proficiency and continue education	2	10	8.82	88.2%
6.Internal Evaluation	3	15	13.36	89.1%
Total	20	100	89.73	89.73%
Command	Achieve rate at 89.73% which met performance requirement.			

Audit Committee Evaluation				
Index	Weight	Full Score	Evaluation	Achieved%
1.Depth of operations involvement	4	20	18.25	91.3%
2.Awarness of committee duties	5	25	23.25	93.0%
3.Improvement of Board conclusion quality	5	25	23.25	93.0%
4.Committee structure and members selection	3	15	14.75	98.3%
5.Internal Evaluation	3	15	13.75	91.6%
Total	20	100	93.25	93.25%
Command	Achieve rate at 93.25% which met performance requirement.			

Remuneration Committee Evaluation				
Index	Weight	Full Score	Evaluation	Achieved%
1.Depth of operations involvement	4	20	18.33	91.7%
2.Awarness of committee duties	4	20	19	95%
3.Improvement of Board conclusion quality	7	35	32.67	93.3%
4.Committee structure and members selection	4	20	18.67	93.4%
5.Internal Evaluation	1	5	5	100%
Total	20	100	93.67	93.67%
Command	Achieve rate at 93.67% which met performance requirement. °			

Method of improvement:

(1) Continuing education courses shall be arranged for all directors on professional knowledge and regulatory requirements related to corporate governance. Such courses will enhance the directors' understanding of their powers and duties as well as their participation in the operation of the

company.

(2) The CPA shall be invited to attend Board meetings in a non-voting capacity when the annual financial reports are up for discussion. The participation of the CPA in the communication and discussion of the motion increases the opportunity for interaction between directors and the CPA.

4. An evaluation of the goals set for strengthening the functions of the Board (e.g. Establishment of Audit Committee, enhancing information transparency) and implementation status during the current and immediately preceding fiscal years:

The Company convened 6 meetings of the Board of Directors during 2020. An abstract of material resolutions passed by the Board were posted on the Market Observation Post System website in both English and Chinese on the same day immediately after each meeting in accordance with the principle of enhancing information transparency. Investor and press conferences were also held based on statutory or practical requirements to explain and answer questions about material information.

The “Rules for Performance Evaluation of Board of Directors” were passed by the 16th meeting of the 8th Board of Directors on March 10, 2020, to strengthen corporate governance and enhance Board functions, as well as improve the Board efficiency through the setting of performance targets. Under the Rules, an international evaluation of Board performance must be conducted annually and completed by the first quarter of the following year.

5. Succession planning for the Chairperson (or Board members) and Management including related training, development and timetables:

Under the Company’s succession plan, a successor must not only possess exceptional strategic business planning, logical analysis and management skills but also demonstrate that their values are aligned with our corporate culture of humanism, honesty and integrity. They must strive to realize the goal of “Global No.1 in Technology, Quality and Service” to ensure the sustainable development of the company. Succession planning is now being carried out in the following areas:

1. Organizational adjustments and rotation

(1) Change of CEO and President:

A change of CEO and President was carried out in 2020. The adjustment of organizational role served to refine our succession planning. The passing of the baton on the Chairperson’s business philosophy and management strategy will help pave the way for the President to take over the reins of the Company and its future direction of development.

(2) Rotation of senior managers:

Senior managers were appointed as the Chairperson or Board directors at subsidiaries while vice presidents of manufacturing operations were made managers at overseas subsidiaries. The rotation of assignments enhanced the business planning skills of senior managers and helped them build up experience in business administration.

(3) Appointment of factory directors:

The position of factory director was appointed for manufacturing operations to hone their management skills and build up their hands-on experience with all aspects of manufacturing operations. The assignment is used to cultivate successors for senior managers in manufacturing units.

2. Passing on of ideals and experience

(1) Institutionalization of business philosophy and management experience:

Business philosophy and management experience are institutionalized and documented by current senior management. The continuation of this legacy is assured through the definition of the

Company's core and management competencies as well as the restructuring of roles and responsibilities.

(2) Establishment and participation in important Company meetings:

Middle and senior management's participation in Company meetings such as half-yearly meetings, business meetings, production and sales meetings, and information sessions by R&D units introduced them to core management operations, carry on the Company's business management philosophy, understand industry trends, and become familiar with the company's development strategy.

3. Successor nomination and development at all levels of management

(1) Successor nomination at all levels of management

Once a suitability assessment is conducted through annual performance management, managers can nominate personnel as potential successors.

(2) Development of potential successors

Managers at all levels are cultivated through a series of internal and external training programs to equip them with the necessary professional knowledge, skills, management ability, and ethics. Familiarization with the Company's corporate culture and business philosophy also prepare them for a future role in each level of management.

(II) Audit Committee Meeting Status:

Reelection of Audit committee took place after Shareholders' Meeting on May 28 2020. New directors were elected as 3rd Annual audit committee member.

5 meetings were hold during 2020: 3 meetings for 2nd Annual and 2 for 3rd Annual

The attendance status as follow:

For 2nd Annual:

Title Name	Attendance	In Person	By Proxy	Attendance Rate	Note
Independent Director	Jim W.L. Cheng	3	0	100%	
Independent Director	Quincy Lin	2	1	67%	
Independent Director	Philips Wei	3	0	100%	
Independent Director	Pei-Ing Lee	3	0	100%	

For 3rd Annual:

Title Name	Attendance	In Person	By Proxy	Attendance Rate	Note
Independent Director	Jim W.L. Cheng	2	0	100%	
Independent Director	Pei-Ing Lee	2	0	100%	
Independent Director	Morgan Chang	2	0	100%	
Independent Director	Jui-Tsung Chen	1	1	50%	

Other matters that require reporting:

1. Summary of the Audit Committee's operations during the year

The Audit Committee of the Company is made up of 4 independent directors. The purpose of the Committee is to ensure the quality and integrity of the Board of Directors during its execution of the accounting, auditing, and financial reporting processes as well as financial controls.

Key matters reviewed by the Audit Committee in 2020 included:

- (1) Financial report as well as accounting policy and procedure
- (2) Internal audit plan and the effectiveness of the internal control system
- (3) Change of internal audit officer
- (4) Loans to subsidiaries as well as the provision of endorsements and guarantees to subsidiaries
- (5) Distribution of earnings
- (6) Transaction of derivative financial products
- (7) Amendment to Code of Business Conduct and Ethics
- (8) Downsizing and shutting down of subsidiaries
- (9) Private placement of securities
- (10) Company risk control
- (11) Evaluation of CPA independence and competence.
- (12) Non-arm's length transaction

▲ Review of financial report

The 2020 business report, financial statements, and earnings distribution proposal were issued by the Board of Directors. The financial statements were audited by the accounting firm Deloitte Taiwan and an auditor's report issued. The business report, financial statements and earnings distribution proposal mentioned above were reviewed by the Audit Committee and no discrepancies found.

▲ Evaluation of effectiveness for internal control system

The Audit Committee reviewed periodic reports from the Company's audit department, CPA and management to evaluate the effectiveness of the Company's internal control policy and procedure (including controls for finance, operations, risk management, information security, and compliance). The Audit Committee concluded that the Company's risk management and internal control systems were effective, and that the Company has already adopted the necessary measures to supervise and rectify violations.

▲ Appointment of CPA, and evaluation of CPA independence and competence.

The Audit Committee is empowered to supervise the independence of the CPA as to provide reasonable assurance on the reliability of the financial statements. The CPA may not provide the Company with other services other than those related to taxation or permitted under special dispensation.

To ensure the independence of the CPA, an independence evaluation form was drawn up by the Audit Committee based on Article 47 of the Certified Public Account Act, and the section on "Integrity, Objectivity, and Independence" in the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10. The form is used to evaluate the independence, professionalism, and competence of the CPA. On March 10, 2020, the 12th meeting of the 2nd Audit Committee and the 16th meeting of the 8th Board of Directors concluded that the accountants Yu-feng Huang and Cheng-chi Lin of Deloitte Taiwan both satisfied the standard for independence and were qualified to serve as the CPA of the Company.

2. The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of

the Audit Committee meeting:

(1) Items specified in Article 14-5 of the Securities and Exchange Act:

Board Meeting	Proposal Details & Follow Ups	Subject to Article 14-5	Proposal Approved by more than 2/3 of Board Members without Audit Committee Approval	
8th Term 16 th Meeting (Mar 10, 2020)	1. Review 2019 Operations Report and Financial Reports.	√		
	2. Review 2019 earnings distribution proposal	√		
	3. Authorized 2019 Internal Audit Report Declaration.			
	4. Revised Internal Control Procedures and Internal Audit Procedures.	√		
	5. In order to reduce currency exchange risks, proposed to extend trade long term forward exchange term with existing US\$140 m credit limit.	√		
	6. Approved to issue no more than 87 million common shares or GDR for private placement or CDB to fund long term expansion	√		
	7. Review the independence and competence of hired CPA firm	√		
	8. Remove Non-Competing Clause for Board of director	√		
	All members of audit committee approved the proposals in the meeting on Mar 10, 2020.			
	All members of attended board members agreed with the conclusion reached by Audit Committee.			
8th Term 17 ^h Meeting (Apr 10, 2020)	1. Proposed to lend Powertech Technology (Suzhou) Ltd. no more than US\$28 b.	√		
	2. Proposed to defined a maximum event of issuance of convertible bound through internal and domestic private placement.	√		
	All members of audit committee approved the proposals in the meeting on Apr 10, 2020.			
	All members of attended board members agreed with the conclusion reached by audit committee.			
8th Term 18th Meeting (May 8, 2020)	1. Reviewed 1Q20 Financial Reports.	√		
	2. In order to reduce currency exchange risks, proposed to trade long term forward exchange term of US\$20 m.	√		
	All members of audit committee approved the proposals in the meeting on May 8, 2020.			
	All members of attended board members agreed with the conclusion reached by audit committee.			
9th Term 2nd Meeting (Aug 7, 2020)	1. Reviewed 2Q20 Financial Reports.	√		
	2. Proposed to sell Chip probing business and equipment to TeraPower Technology Inc.	√		
	3. In order to reduce currency exchange risks, proposed to trade long term forward exchange term of US\$120 m which was an extension of existing credit limit.	√		
	4. Proposed to lend Powertech Technology (Singapore) Pte. Ltd. no more than US\$30 b. Lending period less than one year and annual interest at 1.0%.	√		
	5. Proposed to renew endorse guarantee for Powertech Technology (Singapore) Ltd. US\$30 m at CTBC.	√		
	All members of audit committee approved the proposals in the meeting on Aug 7, 2020.			

Board Meeting	Proposal Details & Follow Ups	Subject to Article 14-5	Proposal Approved by more than 2/3 of Board Members without Audit Committee Approval
	All members of attended board members agreed with the conclusion reached by audit committee.		
9th Term 3rd Meeting (Nov 6, 2020)	1. Reviewed 1Q19 Financial Reports.	√	
	2. Approved 2020 Internal Audit Plan.	√	
	3. Propose of change of internal audit manager	√	
	4. Revised Procedures for Acquired and Dispose Assets.	√	
	5. In order to reduce currency exchange risks, proposed to trade long term forward exchange term of US\$110 m.	√	
	All members of audit committee approved the proposals in the meeting on Nov 6, 2020.		
	All members of attended board members agreed with the conclusion reached by audit committee.		

(2) Proposal Approved by more than 2/3 of Board Members without Audit Committee Approval:

None.

2. Independent Directors should leave during discussion for matters with conflict of interest. Name of directors, proposal details, reason of conflicts and voting results:

None.

3. Communication between Independent Directors and CPA (ex. Issues regarding corporate financial, business operations, methods, results, and etc.):

- (1) Internal audit department email audit reports to independent directors in a monthly basis. The head of internal audit should have specified major findings during Audit Committee meetings.
- (2) Summarized quarterly consolidated and standalone financial statements information should be delivered and communicated with independent directors during Audit Committee meetings in order to comply with regulations defined in No 39 Statements of Auditing Standards and No.0930105373 of Securities and Futures Bureau.
- (3) No less than 1 Audit Committee meeting per quarter. Summarized communication among independent directors, head of internal audit, and CPA:

Date	Communication Summary	Action Item
2020/3/10	Matters communicated at the 12th session of the 2nd Audit Committee were as follow: 1. Report on the results of the internal audit for 2019 Q4. 2. Discussion of the results from the 2019 internal control review and self-assessment. A statement on the effective design and execution of internal controls was also issued. 3. Revision of the PTI “Internal Control System” and “Internal Audit System.” 4. Approval for the issue of ordinary shares for cash to sponsor the issuance of depositary receipts (DRs), and/or issue of ordinary shares for cash, and/or private placement of ordinary shares for cash, and/or private placement of	There were no other recommendations than the items communicated on the left. The results from the internal audit for 2019 Q4 were reported to the Board of Directors; Statement on the effective design and execution of internal controls for 2019, as

Date	Communication Summary	Action Item
	<p>overseas or domestic convertible bonds.</p> <p>5. Accountant's report on the content and outcomes from their audit of the 2019 separate and consolidated financial statements. (including explanation of key audit matters in the audit report). Discussion and communication of major accounting estimate issues as well as recent amendments to tax and securities management regulations. In addition, review/audit planning for 2020 were also presented by the accountant. There was also discussion and communication over major audit risk items already identified by PTI.</p> <p>Communication with independent directors and recommendations:</p> <p>1. The inclusion of explanations for discrepancies in cash levels, cash flow and cash inflows/outflows in the future was requested by independent directors.</p>	<p>well as the 2019 separate and consolidated financial statements were submitted to the Board of Directors for approval. Once approved, they were published and filed with the competent authorities on time.</p>
2020/5/8	<p>Matters communicated at the 14th session of the 2nd Audit Committee were as follow:</p> <p>1. Report on the results of the internal audit for 2020 Q1.</p> <p>2. Accountant's report on the content and outcomes from their audit of the 2020 Q1 consolidated financial statements. Discussion and communication of major accounting estimate issues.</p> <p>Communication with independent directors and recommendations:</p> <p>1. Where there are reservations in the review report for subsidiaries according to the equity method, an independent director requested an explanation on how critical it is to the company and its importance to revenues. The combined revenues of PTI Xi'an and the Suzhou subsidiary accounted for 11% of consolidated revenues. PTI proposed that their financial reports be audited by accountants more frequently to improve the reliability of consolidated financial reports and reduce the level of risk borne by the Audit Committee.</p> <p>2. The accountant will be requested to review and report on accounts receivable in future financial reports.</p>	<p>There were no other recommendations than the items communicated on the left.</p> <p>The results from the internal audit for 2020 Q1 were reported to the Board of Directors; Once approved, they were published and filed with the competent authorities on time.</p>
2020/8/7	<p>Matters communicated at the 1st session of the 3rd Audit Committee were as follow:</p> <p>1. Report on the results of the internal audit for 2020 Q2.</p> <p>2. Accountant's report on the content and outcomes from their audit of the 2020 Q2 consolidated financial statements. Discussion and communication of major accounting estimate issues.</p> <p>Communication with independent directors and recommendations:</p> <p>An independent director asked if PTI had obtained ISO 27001 certification and what improvements were made in the wake of information security incident. How are the network and USB managed? The chief audit officer gave an explanation on the recovery and preventive measures adopted by PTI after the ransomware virus attack in May.</p>	<p>There were no other recommendations than the items communicated on the left.</p> <p>The results from the internal audit for 2020 Q2 were reported to the Board of Directors; Once approved, they were published and filed with the competent authorities on time.</p>

Date	Communication Summary	Action Item
2020/11/6	<p>Matters communicated at the 2nd session of the 3rd Audit Committee were as follow:</p> <ol style="list-style-type: none"> 1. Report on the results of the internal audit for 2020 Q3. 2. Formulation of the 2021 internal audit plan. 3. Accountant’s report on the content and outcomes from their audit of the 2020 Q3 consolidated financial statements. <p>Discussion and communication of major accounting estimate issues as well as recent amendments to tax and securities management regulations. The accountant also outlined and discussed the key audit matters for PTI.</p> <p>Communication with independent directors and recommendations:</p> <p>Independent directors recommended the voluntary establishment off a risk management committee due to its importance from a corporate governance perspective. PTI will study the proposal and plan for its implementation.</p>	<p>There were no other recommendations than the items communicated on the left.</p> <p>The results from the internal audit for 2020 Q3 were reported to the Board of Directors; Once approved, they were published and filed with the competent authorities on time.</p>

(III) Variances and Reasons between PTI Corporate Governance Practices and Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies:

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
1. Does Company follow “Taiwan Corporate Governance Implementation” to establish and disclose its corporate governance practices?	√		PTI Corporate Governance Best Practice Principles has followed “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies” and approved by Board of Directors on Nov 5 2014 and amended on Feb 9, 2015 board meeting. The document was disclosed in PTI company website and MOPS.	Complied with Regulation.
2. Shareholding Structure & Shareholders’ Rights				
(1)Does Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters? If yes, has these procedures been implemented accordingly?	√		1. PTI has dedicated spokesman and shareholders’ affairs department to handle inquiries for shareholders. Contact information is available on company website. Legal inquiries will be handling by legal department.	Complied with Regulation.
(2)Does Company possess a list of major shareholders and beneficial owners of these major shareholders?	√		2. Regular reports and shareholder lists will be provided by stock transfer agent. PTI has disclosed information required by authority and kept good communication with major shareholders.	
(3)Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	√		3. Procedures for activities with related parties has been established and followed.	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
(4)Has the Company established internal rules prohibiting insider trading on undisclosed information?	√		4."Prohibition against Insider Trading" policy has been established to educate and prevent insiders trading for who has access to significant internal information.	
3. Composition and Responsibilities of the Board of Directors:				
(1)Has the Company established a diversification policy for the composition of its Board of Directors and has it been implemented accordingly?	√		1. Each director qualifies for requirements defined by Corporate Governance Best Practice Principles. 11 Board Directors met professional requirements, including no less than 4 and no less than 1/3 as independent directors. One of director is female.	
(2)Other than the Remuneration Committee and the Audit Committee which are required by law, does the Company plan to set up other Board committees?	√		2. The company has set up the Remuneration Committee and Audit Committee as directed by law. Other committees will be set up as needed.	
(3)Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis?	√		3. Board performance evaluation method has been approved in Mar 10, 2020 board meeting. Annual review will be performed and take into consideration for individual director compensation and future nomination. Current board of directors have been performed at the highest standards for shareholders' interests. 2020 evaluations were done by Feb 2021 and results will be discussed in Mar 12, 2021 board meeting.	Complied with Regulation.
(4)Does the Company regularly evaluate its external auditors' independence?	√		4. Starting from 2015, annual independence review of CAP will be performed and major items are: a. Review CAP qualification and experiences. b. Declaration of Independence from CPA including audit team members and their spouses and dependents don't have conflict of interests to influence their independency. c. Search on internet for records of employed CPA breach of independence. d. Evaluate employed CAP independency using check list defined by No. 10 Article 23 of Certified Public Accountant Act. e. Reviewed on Mar 10, 2020 Audit Committee meeting. f. Present the evaluation for Board of Directors on Mar 10, 2020.	
4. Has the Company established dedicated person(s) or department to handle corporate governance issues (including but not limited to provide evaluation data for board of directors and supervisors hold board meeting and shareholder meeting, apply incorporation registration	√		The Stock Affairs Department is in charge of corporate governance related issues and major tasks were: Plan annual shareholder and board meetings agenda and schedule. Planning for board meetings details and notify attendance directors board meeting agenda 7 days before the meeting. Remind conflict of interests' attendance to leave when necessary. Meeting minutes recording. Copy directors and file the meeting minute document within 20 days of meeting.	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)														
	Yes	No	Explanation															
and modification, and record meeting minutes for board meetings and shareholder meetings)?			Register for annual shareholder meeting with authorization with completed meeting notice, meeting agenda, annual report and meeting minutes within required period. File for amendment within 15 days after annual shareholder meeting. Public announcement of board and shareholder meeting conclusions comply with regulation and investor interests. Assist Directors for continue education programs.															
5. Has the Company established a means of communicating with its Stakeholders or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	√		<p>Stakeholders communication methods as below:</p> <table border="1"> <thead> <tr> <th>Related Party/Major Topics</th> <th>Communication Method</th> </tr> </thead> <tbody> <tr> <td><u>Shareholders/Investors</u> Operations performance, Risk management, Code of business conduct & ethics, Regulation compliance, Technology & Series, and Corporate governance</td> <td>Shareholders' Meeting Financial Reports Host Quarterly Institutional Investor Conference Established spokesman and Investor Relations Department Company Website</td> </tr> <tr> <td><u>Employees</u> Compensation, Communication between employer and employees, work environment safety, career path development, Human rights of employees, Talent recruitment and retention, and employee identify protection</td> <td>Employees Benefits Committee Electronic Platform & Announcement Procedures for Improvement Proposal Reviewing Employee and Employer Meeting Suggestion Box Psychological Consultant and Aids</td> </tr> <tr> <td><u>Customers</u> Technology & Services, IP management, Risk management, Code of business conduct and ethics, Supplier management, Green product, Climate change management, and customer communication</td> <td>Sales Meetings Customer Satisfaction Survey Customer Service Annual Customer Audit</td> </tr> <tr> <td><u>Suppliers</u> Supplier management, Risk management, Code of business conduct and ethics, Conflict minerals, and Procurement policy.</td> <td>Electronic Procurement Platform Procurement Contract Management Supplier Management Meeting Supplier Audit Procedure Supplier Evaluation</td> </tr> <tr> <td><u>Government</u> Regulation compliance, Corporate governance, Code of business conduct and ethics, Human rights of employees, Working environment safety, Pollution prevention, Water resource management, Climate change management, and Energy and Carbon footprint management</td> <td>Emails and Official Notice in Mail Seminars and Public Hearings Host by Officials Supplement Documents from Officials</td> </tr> <tr> <td><u>Community</u></td> <td>Company Website</td> </tr> </tbody> </table>	Related Party/Major Topics	Communication Method	<u>Shareholders/Investors</u> Operations performance, Risk management, Code of business conduct & ethics, Regulation compliance, Technology & Series, and Corporate governance	Shareholders' Meeting Financial Reports Host Quarterly Institutional Investor Conference Established spokesman and Investor Relations Department Company Website	<u>Employees</u> Compensation, Communication between employer and employees, work environment safety, career path development, Human rights of employees, Talent recruitment and retention, and employee identify protection	Employees Benefits Committee Electronic Platform & Announcement Procedures for Improvement Proposal Reviewing Employee and Employer Meeting Suggestion Box Psychological Consultant and Aids	<u>Customers</u> Technology & Services, IP management, Risk management, Code of business conduct and ethics, Supplier management, Green product, Climate change management, and customer communication	Sales Meetings Customer Satisfaction Survey Customer Service Annual Customer Audit	<u>Suppliers</u> Supplier management, Risk management, Code of business conduct and ethics, Conflict minerals, and Procurement policy.	Electronic Procurement Platform Procurement Contract Management Supplier Management Meeting Supplier Audit Procedure Supplier Evaluation	<u>Government</u> Regulation compliance, Corporate governance, Code of business conduct and ethics, Human rights of employees, Working environment safety, Pollution prevention, Water resource management, Climate change management, and Energy and Carbon footprint management	Emails and Official Notice in Mail Seminars and Public Hearings Host by Officials Supplement Documents from Officials	<u>Community</u>	Company Website	Complied with Regulation.
Related Party/Major Topics	Communication Method																	
<u>Shareholders/Investors</u> Operations performance, Risk management, Code of business conduct & ethics, Regulation compliance, Technology & Series, and Corporate governance	Shareholders' Meeting Financial Reports Host Quarterly Institutional Investor Conference Established spokesman and Investor Relations Department Company Website																	
<u>Employees</u> Compensation, Communication between employer and employees, work environment safety, career path development, Human rights of employees, Talent recruitment and retention, and employee identify protection	Employees Benefits Committee Electronic Platform & Announcement Procedures for Improvement Proposal Reviewing Employee and Employer Meeting Suggestion Box Psychological Consultant and Aids																	
<u>Customers</u> Technology & Services, IP management, Risk management, Code of business conduct and ethics, Supplier management, Green product, Climate change management, and customer communication	Sales Meetings Customer Satisfaction Survey Customer Service Annual Customer Audit																	
<u>Suppliers</u> Supplier management, Risk management, Code of business conduct and ethics, Conflict minerals, and Procurement policy.	Electronic Procurement Platform Procurement Contract Management Supplier Management Meeting Supplier Audit Procedure Supplier Evaluation																	
<u>Government</u> Regulation compliance, Corporate governance, Code of business conduct and ethics, Human rights of employees, Working environment safety, Pollution prevention, Water resource management, Climate change management, and Energy and Carbon footprint management	Emails and Official Notice in Mail Seminars and Public Hearings Host by Officials Supplement Documents from Officials																	
<u>Community</u>	Company Website																	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
			<p>Pollution prevention, Water resource management, Academic-Industry Collaboration, and Giveback to Community</p> <p>General Affairs Contact Window</p> <p>PTI has set up a section for stakeholders on the company website to disclose corporate social responsibilities, and CSR hotline and email account. Dedicated staff will take care of reported problems.</p>	
6.Has the Company outsource professional stock affair organization for assistance?	√		Concord Securities Co. Ltd assisted PTI for shareholder affairs.	Complied with Regulation.
7. Information Disclosure				
(1)Has the Company established a corporate website to disclose information regarding its financial and corporate governance status?	√		Company website has been set up and well maintained. Financial and Corporate Governance information will be disclose on the website upon occurrence.	Complied with Regulation.
(2)Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conference etc.)?	√		The Company has dedicated personnel in charge of disclosure on MOPS following authority regulations. Investor Relations section under company website discloses information in both Chinese and English. Spokesman and deputy spokesman are in place. The Company has been hosting physical quarterly Institutional Investor Conference. Live webcasting and replay of conference available on company website for investors.	
(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline		√	PTI complied with Security and Exchange Act Article 36 filing date.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the	√		<p>1. The Company has set up Corporate Social Responsibility Practice Guidelines and Corporate Social Responsibility Office to review and monitor CSR progress every 6 months.</p> <p>2. Employees Rights and Employees Care: Please refer to CSR Status Item 3 A-E on Page 3.</p> <p>3.The Company has set up multiples communication channels with investors or shareholders, such as spokesman, Investor Relations Department, quarterly institutional investor conference, investor seminars upon request by security firms.</p> <p>4. The Company has established “Operations Sustainability Policy” and “Promotion Committee”.</p>	Complied with Regulation.

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?			Annual Risk Assessment Meeting will evaluate and manage the impacts from emergency events. 5. Supplier Management: Please refer to CSR Status Item 3 H-I on page 3. 6. Schedule Board of Directors and managements attending training sections. Please refer to table below for training details. 7. The Company has enrolled Board of Directors (including independent directors) and management for liability insurance. The previous coverage expired on Aug 26, 2020 and policy was renewed with Chubb Insurance Taiwan Ltd. with US\$30 m premium at annual costs of US\$45,150. Period from Aug 26, 2020 to Aug 26, 2021. Insurance coverage and details was reviewed on Nov 6, 2020 board meeting. 8. PTI has been certified with ISO27001 Information security management system in Oct 2016 for effectively protect corporate and customer IP and assets.	

9. Please describe improvements made in response to the results of the Corporate Governance Evaluation System in recent years, and propose what areas and measures will be prioritized for future improvements. PTI did not receive points for certain items in 6th Corporate Governance Evaluation (for 2019). Improvements made for the 7th Corporate Governance Evaluation (for 2020) are outlined below:

Type of Indicator	Indicator Description	Improvement Status	Explanation for non-improvement or improvement
Protecting Shareholder Rights and Interests, and Treating Shareholders Equitably	1.15 Did the company adopt bylaws prohibiting insiders, including directors and employees, from using information not available in the market for personal gain?	Pending	One representative of institutional director engaged in short-term trading. More emphasis will be placed on education and reminders in the future.
Enhancing Board Composition and Operation	2.2 Did the company adopt a board diversity policy and disclose the specific management objectives as well as the status of implementation of the diversity policy on the company's website and in the annual report?	Completed	
	2.5 Is it true that the number of the directors on the company's board of directors who are employees of the company or of its parent, subsidiary, or sister company is less than or equal to one-third of the total number of directors?	Completed	
	2.14 Did the company have any functional committees other than statutorily required committees, and did such functional committees have not less than three members, with at least half of the members being independent directors, and did the company disclose the organization, functions, and operations of such committees?	Pending	Shall be established in the future if they are required by the company.
	2.15 Did the company disclose on its website how independent directors communicate on their own with the chief internal auditor and the external auditors (e.g. the manner of communication, the matters discussed, and the	Completed	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
			results of such communication regarding the company's financial reports and its financial and operating status)?	

1. Policy to encourage board of directors to enroll in well-rounded programs:

Article of Incorporation 20-3 stated: board members should not be discriminated against gender; all members should be capable in knowledge, skills, and mind set. All board of directors should be capable in:

1. Operational judgments;
2. Financial analysis;
3. Management skills;
4. Crisis management;
5. Industry knowledge;
6. International perspectives;
7. Leadership skills;
8. Decision Making.

Execution Status:

Name	Nationality	Gender	Employee of PTI	Age Range			Independence Director Seniority (Years)			Operational Judgment	Financial Analysis	Management Skills	Crisis Management	Industry Knowledge	International Perspectives	Decision Making
				51 - 60	61 - 70	71 - 80	< 3	3 - 9	> 9							
DK Tsai	ROC	Male	√		√					√		√	√	√	√	√
J.Y. Hung	ROC	Male	√		√					√		√	√	√	√	√
J. S. Leu	ROC	Male	√		√					√		√	√	√	√	√
Shigeo Koguchi	Japan	Male				√				√		√	√	√	√	√
Daphne Wu	ROC	Female		√						√	√	√	√			
Boris Hsieh	ROC	Male	√		√					√		√	√	√	√	√
Kenjiro Hara	Japan	Male		√						√		√	√	√	√	√
Jim W.L. Cheng	ROC	Male			√				√	√	√	√	√			√
Pei-Ing Lee	ROC	Male			√			√		√		√	√	√	√	√
Morgan Chang	ROC	Male			√		√			√		√	√	√	√	√
Jui-Tsung Chen	ROC	Male				√	√			√		√	√	√	√	√

2. Evaluation of independency of CPA Yu-Feng Huang and Cheng-Ze Lin:

Events Influence CPA Independency:	Yes	No
1. Do the CPAs have direct and major financial relationship with the Company?		√
2. Do the Company or any board member lend or endorsement guarantee to CPAs?		√
3. Do the CPAs lend or endorsement guarantee to the Company?		√
4. Do the CPAs have frequent business relationship with the Company?		√

Events Influence CPA Independency:	Yes	No
5. Do the CPAs have frequent business relationship with any board or management members?		√
6. Do the CPAs employee by the Company as board of director, management, or any position could significantly impact on audit now or last 2 years?		√
7. Are the CPAs going to be employed by the Company as board of director, management, or any position could significantly impact on audit in the future?		√
8. Do the CPAs as family members of board of director, management, or any position could significantly impact on audit?		√
9. Do the CPAs receive any significant valuables or gifts from board of director or management?		√
10. Do the CPAs employed by the Company for consecutive 7 years?		√

3. Status of 2020 Continue Education for Board of Directors and Management:

Title	Name	Date	Host By	Course	Duration (Hours)
Chairman	DK Tsai	2020/11/05	Taiwan Corporate Governance Association	Taxation Resolution and Impact on Corporate Operations(I)(II)	6
Independent Director	Jim W.L. Cheng	2020/11/05	Taiwan Corporate Governance Association	Cyber Security and Corporate Success	3
				Security Exchange Act for Board Liability	3
Independent Director	Pei-Ing Lee	2020/11/27	Taiwan Corporate Governance Association - Securities & Futures Institute	2021 Economic and Industry Outlook	3
		2020/11/27	Taiwan Corporate Governance Association	The Raise of Institutional Investor for Corporate Governance	3
Independent Director	Morgan Chang	2020/12/04	Taiwan Corporate Governance Association - Securities & Futures Institute	Case Study and Update of Company Law	3
		2020/12/25	Taiwan Corporate Governance Association - Securities & Futures Institute	Case Study of Financial Statement Fraud	3
Independent Director	Jui-Tsung Chen	2020/12/10	Taiwan Corporate Governance Association - Securities & Futures Institute	Policy Analysis for Implantation of Self-Prepared Financial Statement. Case Study of Internal Control.	6
CFO & Sr. VP	Evan Tseng	2020/8/24 2020/8/25	Accounting Research and Development Foundation	Continue Education for Head of Finance for Public Listed Companies.	12
Internal Audit	Huck Shen	2020/11/09 ~ 2020/11/11	Accounting Research and Development Foundation	Orientation for newly appointed Internal Audit Staff	18

Explanation 4: The operation of our company's information security management is shown below:

1. Purpose of information security:

This information security policy was established to comply with the relevant laws and regulations, and to protect the information assets (including data, software and hardware equipment) related to the business and information systems of Powertech Technology Inc. (PTI). The policy is intended to protect against the risk of tampering, disclosure, damage or loss due to external threats, or their improper management and use by internal personnel.

2. Information security guidelines:

PTI followed the “Plan-Do-Check-Act” (PDCA) model set out in the ISO/IEC 27001:2013 specifications for the development, maintenance, continuous improvement and documentation of an information security management system. This included laying down of principles for the functions of the management organization, document record management, and various information security control measures. The focus of the information security management system is on protecting the information assets of key company businesses. All activities must be documented or logged in an appropriate manner to ensure effective cooperation. The relevant steps are set out in each chapter.



3. Information security governance system:

The “Information Security Management Committee” (“Infosec Committee”) was established in February 2016 to ensure the information security of PTI. The Infosec Committee is responsible for promoting and managing the deployment, operation and maintenance of the information security management system. Effective communication is to be conducted in accordance with the “ISMS Communication Checklist” with the state of information security governance reported to the Board of Directors regularly.



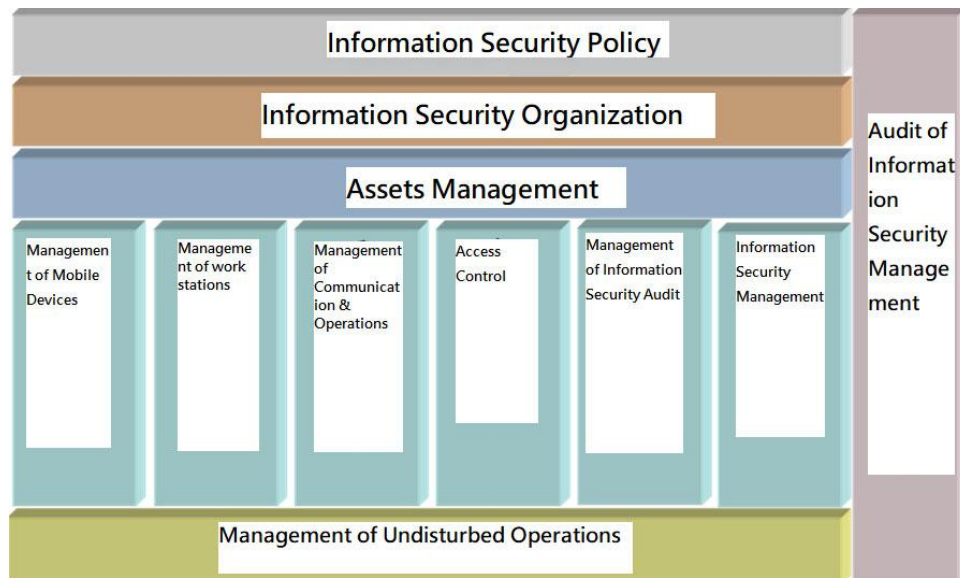
Scope of Information Security Committee:

- (1) Composition of the Information Security Committee: The unit reports directly to the President according to the PTI organization chart. The top managerial officers in the unit make up the Infosec Committee.
- (2) The top managerial officer of the information department is also the Chief Information Security Officer (CISO) of the Infosec Committee.
- (3) The audit team is composed of personnel from the audit unit and information management department. A representative assigned by the Audit Office serves as the team leader. The team is responsible for internal audits related to ISMS< PIMS and trade secrets.

- (4) The document team is composed of personnel from legal affairs and information management department. A representative is assigned as the team leader. The team is responsible for preparing documentation related to ISMS, PIMS and trade secrets, as well as matters related to security awareness, education and training.
- (5) The risk management team is composed of personnel from legal affairs, information management department, and packaging & testing RD department. A representative is assigned as the team leader. The team is responsible for matters related to asset registries, risk management, and emergency response.
- (6) The information security personnel of each unit are designated by the head of each unit. They assist with the promotion of tasks related to ISMS, PIMIS and trade secrets.
- (7) A list of all members is maintained by the CISO in the “Infosec Committee Membership List” and kept up to date when there is a change in membership.

4. Information security management mechanism:

ISO 27001 certification was obtained by PTI in October 2016 and internal controls based on the standard put into place. A variety of methods including management review, internal audit, risk assessment, corrective and preventive measures for example were used to establish an information security management mechanism, strengthen information security protections, and enhance the standard of information security.

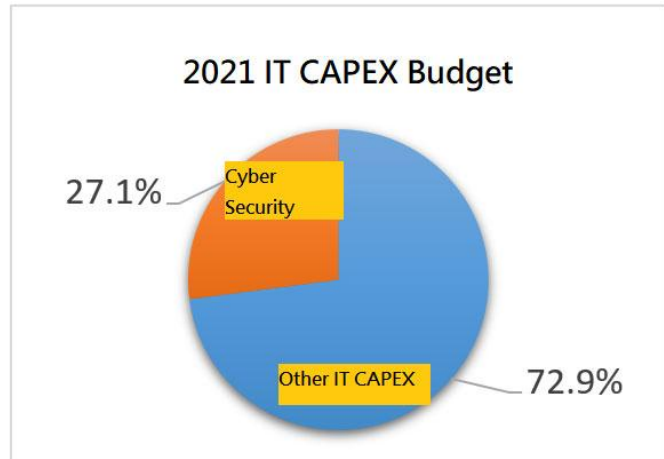
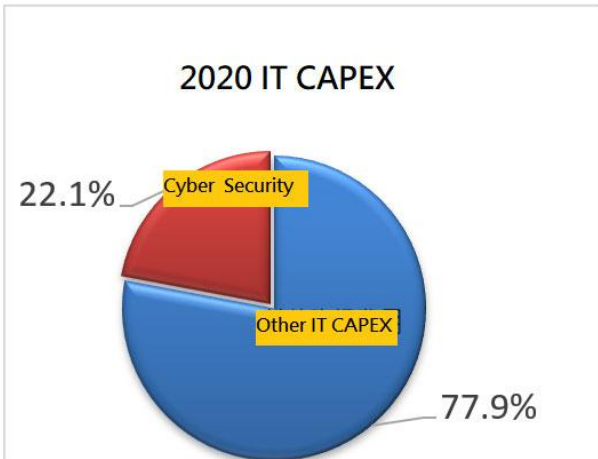
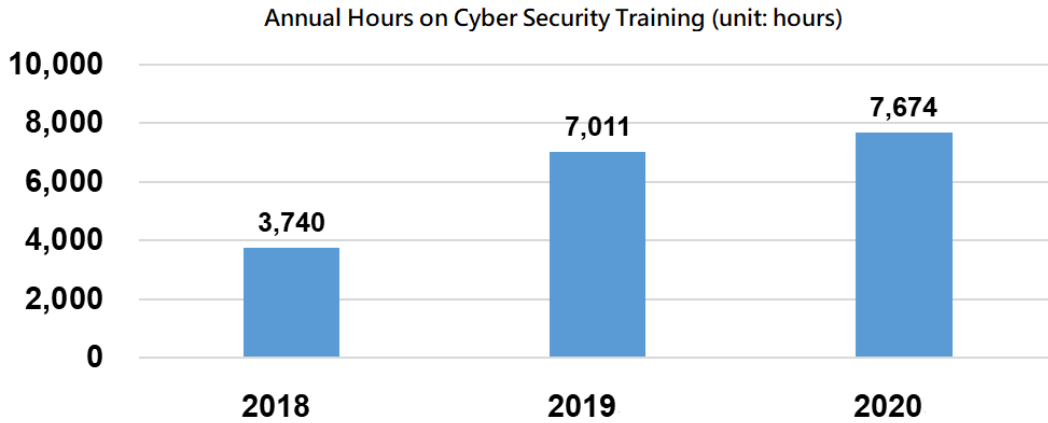


5 Information security risk management:

PTI has devised rules and procedures for information security risk management.

- (1) Different assets may have different risks. Methods for assessing or calculating asset value were adjusted to make them more appropriate to the nature of the unit.
- (2) The basic information security requirements are data confidentiality, integrity and usability.
- (3) Information security insurance is an emerging risk type that involves information security rating organizations, claim assessment organizations, and no-compensation clauses. To mitigate losses caused by information security incidents information security insurance policy with up to US\$10 million in coverage was purchased by PTI in 2020.

5. Recent years Cyber Security Training Status :



7. Information security vision and blueprint

To ensure the proper protection of the Company’s information and assets as well as reduce all potential information security risks, the Company is using all means at our disposal to implement education and training on information security, establish a comprehensive set of guidelines on information security, and build a powerful information security safety net. Potential information security risks are mitigated through swift and precise threat tracking to reduce the damage risk.

Even though the topic of information security will become increasingly complex in the future, the Company believes that the continued strengthening of our information security measures and the support of all employees will ensure our ultimate victory in this battle for information security.

IT Information Security Safety Net	Y2019	Y2020	Y2021	Y2022
Establishment of information security center (SOC)		✓		
Recruitment of more information security specialists		✓	✓	
Information security education and training	✓	✓	✓	✓
ISO 27001 information security management system certification and audit	✓	✓	✓	✓
Internal audits of information security management system	✓	✓	✓	✓
Information security incident simulations and exercises	✓	✓	✓	✓

(III) Remuneration Committee Members and Attendance

1. Information Regarding Remuneration Committee Members

Criteria	Meet One of the Following Professional Qualification Requirements, together with at least five years of work experiences			Conform to Independent Status (Note 1)								Number of Other Taiwan Public Companies Concurrently Serving as an Independence Status	Note	
	An instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Dept related to the Business Needs of the Company in a public or private Junior College, College, or University	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialists Who has passed a National Examination and been Awarded a certificate in a Profession necessary for the Business of the Company	Have work Experience in the area of Commerce, Law, Finance, Accounting, or Otherwise necessary for the business of the Company	1	2	3	4	5	6	7	8			
Independent Director	Jim W.L. Cheng			✓	✓	✓	✓	✓	✓	✓	✓	✓		
Independent Director	Quincy Lin			✓	✓	✓	✓	✓	✓	✓	✓	✓	1	Resigned on May 27 2020
Independent Director	PhilipS Wei			✓	✓	✓	✓	✓	✓	✓	✓	✓	1	Resigned on May 27 2020
Independent Director	Pei-Ing Lee			✓	✓	✓	✓	✓	✓	✓	✓	✓		New Appointed on Jun 5 2020
Independent Director	Morgan Chang			✓	✓	✓	✓	✓	✓	✓	✓	✓		New Appointed on Jun 5 2020

Note 1: Remuneration Committee members during the two years before being elected or during the term of office.

Meet any of the following conditions; please mark the appropriate corresponding boxes:

- (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. The same does not apply, however, in cases where the person is an independent director of the Company, its parent company, or any subsidiary in which the Company holds, directly or indirectly, more than 50% of the voting shares.
- (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 kinship, of any of the persons in the preceding three subparagraphs.
- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of outstanding shares of the Company or that holds shares ranking in the top five in holdings.
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company;
- (9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship,

partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an “audit service” or a “non-audit service which total compensation within the recent two years exceeds NT\$500,000”;

(10) Not been a person of any conditions defined in Article 30 of the Company Law.

2. Operations of Remuneration Committee

(1) Total 3 members of Remuneration Committee.

(2) Service Period: Jun 8, 2017 to May 25, 2020 (3rd Term)

Jun 5 2020 to May 27 2023 (4th Term)

3 meetings took place during 2020, and attendance status as below:

Title Name	Attendance	In Person	By Proxy	Attendance Rate	Note
Chair	Jim W.L. Cheng	3	0	100%	
Member	Quincy Lin	0	1	0%	Resigned on May 27 2020
Member	Philip Wei	1	0	100%	Resigned on May 27 2020
Member	Pei-Ing Lee	2	2	100%	Appointed on Jun 5 2020
Member	Morgan Chang	2	2	100%	Appointed on Jun 5 2020

Annotations:

I. The meeting minutes should clearly indicate Board meeting date, proposal details, decision, and opinions from Remuneration Committee when Board Meeting rejected or amended proposals from Remuneration Committee: No such incident.

II. The meeting minutes should clearly indicate Remuneration Committee decision, date of the meeting, proposal details, and all members’ opinions when any of the members rejected or disagree with the decision: No such incident.

Date of Meeting	Meeting Summary	Conclusion	Follow Up Action
Mar 10 2020	1. Review 2019 Director of Board Compensation and employee compensation proposal. 2. Review 2019 management compensation adjustment proposal.	Approved by all attendant committee members.	Propose in Board meeting seeking for all Board approval.
Aug 7 2020	1. Review 2019 management compensation proposal. 2. Review of new appointed CEO compensation proposal. 3. Review of promoted management compensation proposal.	Approved by all attendance committee members.	Propose in Board meeting seeking for Board approval.
Nov 6, 2020	1. Review new hired management compensation proposal.	Approved by all attendance committee members.	Propose in Board meeting seeking for Board approval.

3. Regular review of directors'/managerial officers' performance evaluation and other information such as salary policy, system, standard and structure.

(1) Information from PTI’s review and assessment of remuneration in 2020 is as shown in the

above table.

(2) The Remuneration Committee shall exercise the care of a prudent manager to fulfill the following duties, and submit recommendations to the board of directors for discussion.

- A. PTI remuneration rules are regularly reviewed and amendments proposed.
- B. Establish and regularly review the annual and long-term performance targets for directors and managerial officers, as well as the policies, systems, standards, and structure for their remuneration.
- C. PTI directors and managerial officers are regularly assessed on their ability to meet performance targets. The content and amount of their individual remuneration are set accordingly.

(3) The PTI Remuneration Committee shall carry out its duties in accordance with the following principles:

- A. Ensure that the remuneration arrangements of the Company conform to the law and are sufficient to attract quality talent.
- B. The performance evaluation and remuneration of directors, supervisors and executives should take prevailing industry standards into account and take into consideration the amount of personal time invested, responsibilities, personal target completion, performance in other roles and company compensation for other people in equivalent roles in recent years. The achievement of the company's short-term and long-term business objectives as well as the company's finances are used to evaluate the correlation between personal performance, company business performance and future risks.
- C. The remuneration plan should not entice directors and managers into exceeding the Company's capacity for risk in pursuit of personal remuneration.
- D. Short-term performance bonuses for directors and senior managerial officers, and the timing of variable salary payments/remunerations shall be set with reference to the particular industry characteristics and the nature of the Company's business.
- E. Whether the content and amount of director and managerial officers' remuneration is reasonable should be taken into account. It is inadvisable for the remuneration decided for directors and managerial officers to diverge excessively from financial performance.
- F. Members of the Committee may not participate in the discussion and voting on their personal remuneration.

(V) Fulfillment of social responsibility as well as deviations from Corporate Social Responsibility Best Practice Principles for TWSE/TPEX listed companies and their reasons:

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
I. Does the company have a designated unit in charge of promoting corporate social responsibility that, following the principle of materiality, conducted risk assessment on environmental, social, or corporate governance issues related to the company's operations, and adopted relevant risk management policies or strategies?	✓		<p>I. A “Corporate Responsibility Office” has been established by the Company under the Board of Directors and reports to the Board every year. As the designated unit for corporate social responsibility and risk management, the Office oversees the CSR Promotion Team, the Business Continuity Management Committee and other functional organizations.</p> <p>The CSR Promotion Team used experience from past engagements with different stakeholders and the four reporting principles (materiality, stakeholder inclusiveness, sustainability context and completeness) of GRI Standards as a reference. The process for identification of material issues is used to analyze sustainability issues and establish their materiality. These provide an important reference for determining the strategy and goals in CSR promotion.</p> <p>The “Risk Management Policy” was drafted by the Company and submitted to the 2nd meeting of the 9th Board of Directors on August 7, 2020, to serve as fundamental risk management principles of the Company. The Business Continuity Management (BCM) Committee convenes the risk identification meeting every year to examine potential emergencies or impacts on business continuity, Risk management policies or strategies that encompass management goals, organizational structure and accountability are then formulated. Risk management and response are then strengthened through effective identification, measurement and execution. The risk assessments encompassed environmental, social, and corporate governance issues related to the company operations.</p> <p>Potential risks were identified for six issues in 2020, namely “personnel safety”, “IT security”, “environmental and climate change”, “regional conflict”, “supply chain management”, and “regulatory change.”</p> <p>Dedicated personnel were assigned to manage and respond to different categories</p>	None.

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
			of risk. Early warning, response, crisis management, business continuity plan and recovery operations were used to establish a safety net that ensures the continuity of operations. The content of relevant risks were also reported to the Board of Directors.	
II. Does the Company have a unit that specializes (or is involved) in CSR practices? Is the CSR unit run by senior managerial officers and reports its progress to the Board of Directors?	✓		II. A dedicated “CSR Office” was established by on August 1, 2014, to ensure proper CSR management, and was approved by the Board of Directors on February 9, 2015. The CSR Office reports to the Board of Directors and is responsible for the development and execution of CSR policy, system, related management policies and action plans. The “CSR Committee” is convened every quarter to brief senior managerial officers on current progress. An annual report is also made to the Board of Directors.	None. °
III. Environmental Issues (I) Has the Company established a proper environmental management system based on the characteristics of the industry?	✓		(I) PTI has established an environmental management system based on the characteristics of our industry to fulfill our corporate responsibility on environmental protection as well as look after the safety and health of our employees. Certification for ISO 14001 environmental management system was obtained in 2003, followed by OHSAS 18001 (now ISO 45001) occupational safety and health management system in 2004. All factories also progressively obtained ISO 50001 energy management system certification from 2019 onwards. Environmental, safety and health management activities are now conducted in accordance with these standards. Environmental, safety and sustainability goals are now set and reviewed on a regular basis. The operation of the international standard management systems enables PTI to effectively control emissions, water pollution and waste from the production process. In addition, IECQ QC08000 hazardous substance management system certification was	None.

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
			obtained in 2008. The certification ensured that PTI products do not contain substances harmful to human health or the environment, and complied with international regulations and customer requirements, reducing the environmental impact of our products and increasing their competitiveness.	
(II) Is the Company committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment?	✓		(2) Refer to Note 1.	
(III) Does the company evaluate the potential risks and opportunities to its business from climate change now and in the future, and take appropriate measures to counter climate change issues?	✓		(3) Refer to Note 2.	
(IV) Does the company disclose the annual emissions of greenhouse gases (GHG), water consumption, and total weight of waste for the past two years, and set management policies for energy conservation, reduction of GHG emissions, water use and other wastes?	✓		(4) Refer to Note 3.	
IV. Social issues (I) Does the Company formulate management policies and procedures based on the relevant laws, regulations and the International Bill of Human Rights?	✓		(I) The “Responsible Business Alliance” (RBA) is committed to supporting the rights and well-being of workers and communities worldwide affected by the global supply chain. The “RBA Code of Conduct” is a set of standards on social, environmental and ethical issues in the global industry supply chain that references key international human rights standards including the “United Nations Guiding Principles on Business and Human Rights”, the “Declaration of Fundamental Principles and Rights at Work” of International Labor Organization (ILO), and “Universal Declaration of Human Rights.”	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
			<p>The “RBA Code of Conduct” introduced by PTI in 2009 covers labor, health and safety, environment, ethics and management systems. PTI became a formal member of RBA on April 20, 2015.</p> <p>The Social Accountability 8000 International Standard (SA8000) was formulated with reference to International Labor Organization ILO, UN Convention on the Rights of the Child, and Universal Declaration of Human Rights. It is a management standards system for the protection of labor rights, occupational environments and labor conditions.</p> <p>Workplace PTI has been working actively to introduce the SA8000 social responsibility management system. Certification was achieved in 2016 and all subsequent annual audits passed successfully.</p> <p>PTI is committed to providing employees with safe and healthy working environment where employees can realize their true potential; to fulfill this commitment, we comply with local laws and regulations, and have also formulated the relevant management policies and procedures based on the RBA Code of Conduct and the international labor/human rights standards set out in SA8000.</p>	None.
(II) Has the company formulated and implemented reasonable employee benefits (including salary, leave, and other benefits), and ensured that business performance or results are adequately reflected in employee remuneration?	✓		(2) Refer to Note 4.	
(III) Does the company provide employees with a safe and healthy working environment, and administer safety and health training on a regular basis?	✓		(3) Refer to Note 5.	
(IV) Has the company established an effective career development and training program for employees?	✓		(IV) PTI’s planning of the education and training system ensures our training investment is aligned with business philosophy. The interaction between different training mechanisms provide employees with a complete blueprint for training and career development. Training tailored to each role and grade ensure that our talent cultivation	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
			and development will meet PTI's needs for business growth.	
(V) Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and were relevant consumer protection and grievance procedure policies implemented?	✓		(V) The PTI "Code of Business Conduct and Ethics" required relevant policies to be formulated for all company R&D, purchasing, production, operation and service processes, such as: Policies for preventing stakeholders from being harmed by products or services, prohibition against leaking of confidential information, prohibition against violation of intellectual property rights, or engaging in unfair competition. PTI management of intellectual property is explained in item 6 of the following table. The relevant complaints procedure has been established by PTI. In addition to internal announcements, complaints channels are also disclosed on our corporate website to safeguard the interests and rights of both internal and external stakeholders.	
(VI) Does the company adopt supplier management policies requiring suppliers to comply with the relevant provisions regarding issues such as environmental protection, occupational safety and health, or labor rights, and specify the status of implementation?	✓		(VI) PTI considers suppliers/contractors to be our partners. Our supply chain management strives for steady development and sustainability through mutual cooperation. Targets and assessments are continuously set for quality, delivery time, cost and technology. Planned visits and on-site audits of business systems are conducted every year as well. The audit systems include: (1) Quality management system (2) Green product management system for non-use of hazardous substances in raw materials (3) RBA Code of Conduct management system on labor and human rights, the environment and ethics (4) Environmental, safety and health risk management Our "Code of Business Conduct and Ethics" require potential suppliers to undergo an assessment of their past business associations. A suitable screening process is used to examine their business dealings and determine whether they have a past record on environmental and social impact. PTI's supply chain management practices	

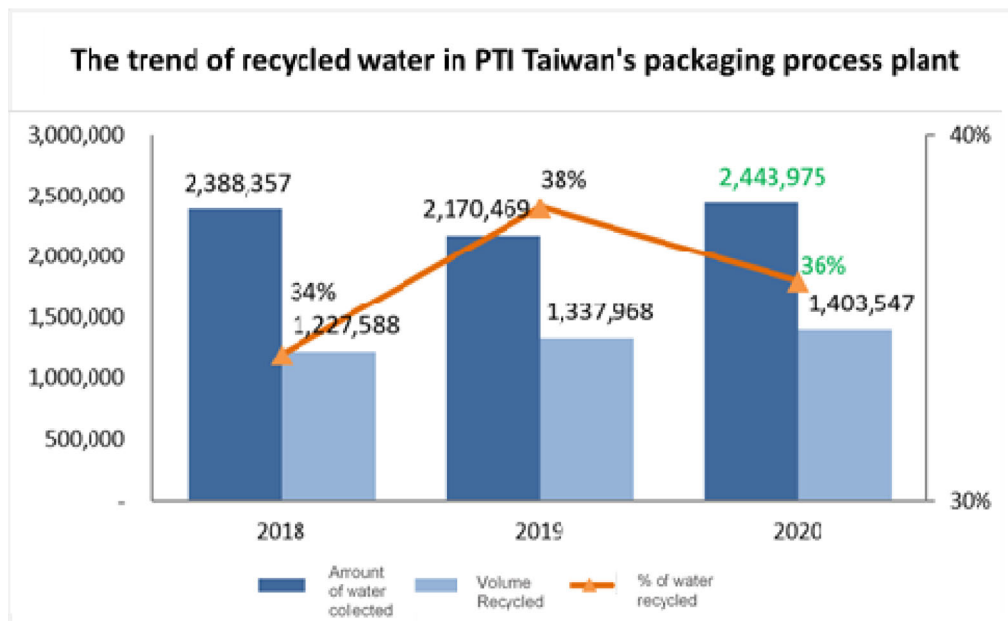
Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Summary Explanation	
			are explained in item 7 of the following table.	
V. Does the company refer to international reporting standards or guidelines for the preparation of corporate social responsibility reports and other reports that disclose non-financial information? Does the company obtain third-party verification or assurance for the reports above?	✓		V. Our 2020 CSR Report was prepared in accordance with the “Core “options of the GRI Guidelines published by the Global Reporting Initiative (GRI). Verification by an independent third-party was conducted by the British Standards Institution (BSI) in accordance with AA1000 AS Type II high-level assurance. Limited assurance was also carried out by PwC Taiwan in accordance with the ISAE3000 standard. The information for “salary of permanent employees in non-management positions” was verified by Deloitte.	None.
<p>VI. If the Company has established corporate social responsibility principles based on "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies", please describe any difference between the principles and their implementation:</p> <p>PTI referred to the “Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies” and other relevant laws and regulations in formulating our own “CSR Best Practice Principles.” The CSR Best Practice Principles were approved for implementation by the Board of Directors on November 8, 2013. Amendments were passed by the Board on November 4, 2016, to improve CSR performance, promote better corporate governance, develop a sustainable environment, protect social welfare and strengthen the disclosure of CSR information. There is no difference between the defined principles and their implementation. These principles apply to the overall business activities of PTI and all subsidiaries.</p>				
<p>. Other supplement information: Referred to Note 8.</p>				

Note 1 Performance management targets for energy/resource recovery were set by PTI to improve resource utilization and reduce the environmental impact of production activities. The results are reviewed on a regular basis; We also assessed and advocated the use of reclaimed materials with low environmental burden/impact where it does not affect product quality. To protect the environment as well as cope with the effects of climate change and water resource depletion, we are gradually increasing our waste recycling and energy savings every year. Reclamation of process water has also been increased as an alternative to tap water use.

Last 3 years' energy usage details as below:

Item	2018	2019	2020
Waste Recycle (Ton)	749.79	890.15	1,023.06
Electronic Saving (kWh)	10,015,926	25,249,932	11,595,401
Waste Water Recycle (Ton)	1,227,588	1,337,968	1,403,547

2020 recycled 36% waste water during assembly process and 2% improvement than 2019.



Note: Packaging facility including: Plant 1A, 2A/B, 3A, 3C, 8, and 11A.

II PTI is responding actively to the threats posed by extreme climate events and is committed to the continued reduction of greenhouse gases, waste, and wastewater discharge. We are working actively on plans and configurations that optimize our energy efficiency, conducting R&D on low-carbon or energy-efficient products, and continuing to review our risks and opportunities under the TCFD framework every year. Response and management plans have been put into place to turn crisis into opportunity. These positive changes are also being pushed out to our suppliers to build a resilient climate change culture so that we can realize our goals and responsibilities on sustainability. The outcomes of the 2020 TCFD assessment were as follow:

1. Risk factors: Increase in demand for use of green electricity, increase in carbon prices (carbon taxes), and increase in demand for alternative low-carbon products and services.
2. Opportunities: Development of low-carbon or energy-efficient products, upgrading of green production, distribution and logistics processes, improvements to energy efficiency.
3. Response: The four core elements of governance, strategy, risk management, and metrics and targets in the TCFD framework were used to identify climate change risks and opportunities. The results were then used to formulate response measures and business continuity plans that help mitigate the impact of climate risks. PTI can then take advantage of climate opportunities to the resilience of our business operations.

III. Measures such as energy conservation, carbon reduction, greenhouse gas reduction, reduced water consumption and waste management were promoted by PTI through the internal management system and various pollution control facilities to fulfill our corporate social responsibility. Our goal is to promote sustainable environment. An explanation of the statistics from the past two years is provided below:

1. GHG emissions, water consumption and total amount of waste
 - (1) Greenhouse gas emissions

A voluntary GHG inventory has been conducted by PTI every year since 2007. The inventory outcome serves as the basis for reduction efforts. The 2020 GHG emission statistics for PTI were based on data from actual inventories conducted at each production site that were verified by an

independent third-party (BSI). Direct GHG emissions (Scope 1) accounted for 8.27 % of total emissions. The main source of indirect GHG emissions (Scope 2) was electricity consumption and accounted for 91.73% of total emissions. The GHG reduction strategy implemented by PTI focused therefore on electricity management and reduction of electricity use. GHG emissions over the past two years are shown in the table below:

Emissions of greenhouse gases by PTI in the last two years are as follow:

Greenhouse Gas Emission (Unit: ton CO2e/ year)		
Item	2019	2020
Category 1	32,477.99	36,669.31
Category 2	386,986.23	406,689.35
Total Emission	419,464.22	443,358.66

(2) Water Usage

Extreme weather caused by climate change significantly impacted the water resources. PTI has been taking proactive actions for usage reduction, recycle and re-use. Table summarized the water usage for 2019 and 2020:

Item	2019	2020
Tap Water (Ton)	2,293,108	2,634,492
Unground Water (Ton)	175,442	159,960

(3) Waste Material

PTI generated 2,024.64 tons of hazard wasted material and recycled 1,023.06 tons in 2020. All hazard wasted material were handle by qualified suppliers. In additional to reduce waste material, PTI will focus on recycle and reuse to reduce the impact of the environment.

2. Promote energy saving, greenhouse gas reduction, water usage reduction, waste management and other measures in responds to climate change, PTI has annual goals and manage the results of our environmental protection outcome via data management. This includes:

(1) Annual Goals

- Average Waste Recycling rate at 43.98%
- Dicing & Grinding Wastewater Recovery Rate >87%
- Reduce CO2e Emission from 2015 in 2030 target for 15%

(2) Environmental Management Plan

To fulfill company's corporate social responsibility and through the correct use of pollution monitor system, PTI has a long-term plans and measures for environmental management:

- A. Air Emission: PTI Taiwan installed air pollution prevention equipment especially designed for reducing Volatile Organic Compound (VOCs) emissions. They are tested regularly to comply with the treatment efficiency tests.
- B. Wastewater Recycle: Recycle and reuse the wastewater from the dicing and grinding process in order to reduce the use and protection of water resource.
- C. Waste Removal: PTI complies with the law in regard to the treatment of generated waste. We implement a proper recycling program at the source of the waste to improve the recycling efficiency. By collecting, classifying, reducing, and recycling, our major strategy focuses on "recycling" instead of "dumping." Transforming waste to resources will not only reduce impact on environment, but also increase the value generated by recycling.

- D. Audition and Coaching the Contractor: PTI audit our supplier and outsourcer with environmental pollution risks regularly. We also coach our contractor to carry out environmental protection duties; altogether we fulfill our responsibility of environmental protection as enterprise, and the goal of sustainable supply chain.
- E. Energy Saving and Carbon Reduction: An energy-saving cross-department task force to monitor energy saving project and the reduction of energy and greenhouse gas emission. PTI voluntarily provide carbon emission information in order to correspond with global trend.
- F. Autonomous Environmental Monitoring: Consist of wastewater properties, noise, air quality and waste monitoring in order to control the effective and impact of enterprise activities.
- G. Alternation of Environmental Permit: Update our environment permits to corporate with our enterprise activities and allow our activities and emissions in accordance to the law

3. Environmental Protection Department

The company has Occupational Safety and Environmental Protection Section, specific in the management and promotion of occupational Safety and environmental protection, also, supervise pollution prevention facilities are function normally. Furthermore, the occupational safety and environmental protection committee consists of high ranking supervisors and selected departmental representative, which, in charge of drafting, responding to, and executing topics related to sustainable environment.

4. Environmental Safety and Health Policy

To implement environmental safety and health protection values into business operations and every employee, the company has established “Environmental, Health and Safety Policy” and put actions on our employees, customers and other interest groups. Detailed illustrations are as follow:

1. Convey our environmental, health and safety policy to our employee, customers and other interest groups.
2. Comply with policies which demand for environmental protection, health and safety and the demand of the customers.
3. Participation of damage, disease and accident prevention and damage control from all employees.
4. Compliance with international environmental protection tendency, promote energy saving and reduce waste.

5. 2020 Results

With active plans to combat global climate change, PTI has notable results in 2020 as follow:

- Climate Change Program rated B
PTI has rated B in the Climate Change Program launched by Carbon Disclosure Project (CDP) and has an index of management.
- Water Questionnaire (WQ) rated B-
PTI has rated WQ and has an index of management.
- PTI has identified risks of climate change through the guidance of TCFD in 2020. More analysts need to be done to comply with regulation, technology, market demand, social, and operations risks.

4. PTI Taiwan total employee other incentives and fringe benefits were NT\$270 million in 2020.

Details in below:

Category	Details
Other Incentives	<ul style="list-style-type: none"> ·Annual Incentives : distributed in Jun and Dec ·Quarterly Incentives : base on company financial performance target ·Compensation/Encouragement Incentives : base on company financial performance target, individual employee job performance and contribution ·Pay Raise : annual adjustment
Fringe Benefits	<ul style="list-style-type: none"> ·Special Events (Weeding 、Childbirth 、Hospitalization 、Funeral) ·Birthday ·New Year Festival 、Dragon Boat Festival 、Mid-Autumn Festival ·Movie Tickets ·Travel Vouchers ·Meals discounts ·Free group insurance coverage(Life insurance for spouse & dependent 、accident insurance 、medical insurance 、cancer insurance, etc.) ·Free annual physical check-ups ·Club Activities ·Other Events (Year-end party 、Family Day etc.) ·Discounted Stores (over 600 discounted stores) ·Emergency Fund for employees in need

5. Given the consideration of the working environment and the importance of personal protective equipment, PTI is to provide a safe and healthy working environment. The protection of employee's safety measures is as follow:

1. Implementation of "Environmental Safety and Health Policy"

To prevent occupational injuries and accidents and ensure the safety and health of our workplace, we implemented our "Environmental Safety and Health Policy."

- (1) Notify employees, customers and related parties with environmental, safety and health policy.
- (2) Comply with the legislation of environmental protection, safety, health and customer requests.
- (3) Participate in prevention of injury, illness, accident and lost control by the entire employees.
- (4) Accommodate international environmental trend to drive energy-saving and waste-minimizing activities actively.
- (5) Review and constantly improve the environment and OH&S management system to promote the whole performance.

2. Follows the Health and Safety Management System

Based on ISO 14001 and OHSAS 18001 systems to manage

3. Measurement of Operating Environments

PTI conducts measurements of operating environments every six month to understand the hazard exposure in workplace environments. If the measurements return abnormal readings, we perform monitoring and improvement on the affected areas.

4. Personal Protective Equipment

To ensure the safety and health of employees and minimize exposure to harmful factors, PTI has implemented its personal protective equipment management regulations and required that employees wear appropriate personal protective equipment when handling hazardous operations.

5. Health Care

We provide comprehensive employee care and health care system to ensure every employee's mental and physical health. Including comprehensive channels for open communication, psychological counseling system, manage and follow up on health

conditions with regular and special health examinations and medical counseling service. We value the health of working mothers and manage the prevention of disease triggered by abnormal workload toward employees, thus, creating an excellent work environment and a healthy corporate culture.

6. Training & Development

To raise the awareness of environmental safety and health, beside from training for new employees, PTI organize various training courses annually. Such as, waste management, greenhouse gas inspection, hazardousness identifies, risk and environmental assessment, personal protective equipment management, automatic check, emergency response and health seminars.

7. Health promotion and management

A number of health promoting activities were held in 2020, including: Flu vaccination, employee health exam, blood donation and bone density testing. Total attendance was 4,326. On-site physician services were provided 292 times in 2020.

8. Industrial safety inspections

A comprehensive inspection system was established to ensure that health and safety personnel can use the corrective and preventive actions of the management system to identify problems areas and prevent accidents in the factory and its surrounding area. They are also expected to cooperate with the site manager on self-inspections or joint inspections. Identified deficiencies and their correction rate are analyzed by department and type then submitted to the monthly industrial safety meeting and the quarterly meeting of the Occupational Health and Safety Committee for review.

	Responsible Personnel/Content	Frequency
1	Site inspections by industrial safety personnel	No less than once a day
2	Environmental safety inspections by industrial safety personnel	No less than once a week
3	Special environmental inspections by industrial safety personnel	No less than once a month
4	Topical inspections by industrial safety personnel (In response to regulatory changes, incidents, and after internal/external audits)	Random
5	Cross-audit of industrial safety performance management	Once a quarter
6	Industrial safety inspection of production sites	No less than once a week
7	Walk-about management by site management	Random
8	Internal joint inspections by factory director/department heads	Once a month

The Intellectual Property Management Department is the designated company unit for intellectual property (IP) management. The relevant plans and management activities are as shown below. The status of planning and execution was reported during the 3rd meeting of the 9th Board of Directors on November 6, 2020. The details were as follow:

1. Intellectual property strategy

PTI initially focused on boosting our “patent count” to protect our business

freedom and strengthen our competitive advantage. Our patent strategy began shifting towards “patent quality” in 2012. We have been integrating our patents with products and technologies over the past years to create value and revenue. We also developed an IP management plan based on the patent strategy of our R&D department, continued to make improvements of the IP management system, and engaged in the production, management and application of IP to maintain our technical leadership.

2. Intellectual property management system

The “Guidelines for Patent/Trademark Application and Management” and “Patent Proposal/Application Management System” were formulated and introduced by PTI to encourage the conversion of R&D outcomes into patent proposals by research personnel. These streamlined the process for researchers to submit proposals and allow members of the review committee to determine the value of proposals from all aspects. Patent engineers can also track the progress of patent applications and ensure the quality of execution.

PTI also formally applied for Taiwan Intellectual Property Management System (TIPS) certification in 2020. Management certification in three areas (patent, trademark and trade secrets) were completed in December of the same year and the IP report published on the corporate website.

3. Potential IP risks and responses

- (1) Implementation of regulatory compliance: In the future, business strategy must be connected to IP management and meet the requirements set by IP indicators newly added to the “Corporate Governance Evaluation” in order to achieve regulatory compliance. IP management must therefore be linked to our business strategy to maximize the returns from IP created by PTI and continue improving our ranking in the Corporate Governance Evaluation. The IP management system will be expanded to all local and overseas subsidiaries of PTI Group as well to secure customer recognition of our IP management capability.
- (2) Implementation of IP management: PTI is required by customers to engage in data loss prevention. We have strengthened our management of information security and trade secrets but more work needs to be done to prevent risks from inadequate control of intellectual property rights as a whole. IP audits, IP management documentation and standardized management must be implemented to ensure that PTI and customers’ interests are not harmed.
- (3) Protection and application of R&D accomplishments: It is essential for PTI to establish a long-term technological advantage due to the trend towards diversification and high-technology in the packaging & testing industry. We own our own in-house R&D capability and the ability to cultivate customers that provide a stable source of orders but there is a risk that competitors may develop similar products. A sound IP management system must be established for preemptive protection and application of R&D outcomes to prevent the development of similar products by competitors that impact on our competitiveness in the industry. A target of 55 patent proposals has therefore been set for 2021. Quarterly audits and an annual inventory will also be undertaken for trade secrets protection.

4. Future planning

PTI will build on the results of TIPS mentoring to ensure the proper implementation of the IP management system. All documentation and forms will be bilingual in Chinese and English making them suitable for use in all domestic and foreign PTI subsidiaries. The development of a trade secrets protection system will highlight our IP capabilities and demonstrate our competitiveness.

5.PTI IP awarded as of end of Apr 2021:

IP Case Number	■ Innovation Patten	Domestic	Applied : 89 cases	Approved : 303 cases	International	Applied : 126 cases	Approved : 168 cases
	■ New Patten	Domestic	Applied : 0 cases	Approved : 7 cases	International	Applied : 0 cases	Approved : 4 cases
	■ Logo	Domestic	Applied : 0 cases	Approved : 18 cases	International	Applied : 0 cases	Approved : 23 cases
IP Category	Copyrights	International : 2	Trade Secrets	Listed in index			

7. Supplier Management Guidance:

PTI has established effective and comprehensive supplier management guidance to secure suppliers and company sustainability.

New Supplier Evaluation

- Assess new suppliers, including paper, factory, and sample evaluations.
- Supplier candidates must sign the "Business Integrity Commitment" .
- Those who meet PTI' s requirements are eligible suppliers.

Supplier Assessment

- Assessing supplier of raw materials every season/six months.
- Assessment criteria include quality, delivery, cost, and technology.
- Suppliers who fail the assessment are required to improve within a time limit and shall provide evidence of improvement or be inspected on-site.

Supplier Audit

- Major raw material suppliers are audited annually according to the plan.
- Auditing categories include quality management system, green product system, environment, safety, and health system, and RBA system (Labor Rights).
- When deficiencies are identified, suppliers are required to submit appropriate improvement plans with specific goals and time limit. Those who fail to achieve the goals in the time limit are disqualified as suppliers.

Supplier Consultation and Training

- Regular on-site consultation and training.
- Supplier Social Responsibility Promotion Workshops are held for promoting green policies, quality policies, integrity, ethics, and CSR.
- Direct material suppliers must have international certifications such as the ISO 9001 Quality Management System. Those without certification must implement plans.
- Encourage suppliers to use electronic receipts to help reduce consumption of natural resources.

1. Supplier evaluation

Key raw material suppliers must pass supplier evaluation and undergo regular audits to ensure that they comply with PTI requirements on sustainability management and partner quality. All of PTI's raw material suppliers are evaluated quarterly against quality, delivery, cost, and technology targets. If any quality or delivery issues are identified during the evaluation, the supplier will be required to carry out immediate corrective action. They must then also provide supporting documentation on their corrective actions or undergo an on-site audit. All raw material suppliers evaluated in 2020 reached the standard for supplier eligibility.

2. Supplier audits

Key raw material suppliers are screened by PTI and evaluated on the basis of quality of process requirements. The evaluation outcome is then used to organize the audit plan. A total of 25 domestic suppliers were audited in 2020 after the COVID-19 restrictions were eased. These included key suppliers of raw materials and labor services. Due to continued concerns over COVID-19, any suppliers with major quality issues or fail to meet the quality targets undergo a written quality audit over the phone or through video-conferencing. In 2020, PTI Taiwan conducted a total of 27 “quality system audits” or “RBA Code of Conduct system audits” for key suppliers of raw materials used directly in products, contractors and labor service suppliers. The majority of non-conformities identified during on-site supplier audits in 2020 related to process control, occupational health and safety management, fire safety, SOP implementation and 6S management on the production line. Suppliers were asked to implement corrective action by the given deadline. Follow-up inspections found that corrective action was carried out for all non-conformities and no supplier were disqualified as a result of audits.



3. Hosting of “Supplier Social Responsibility Conference”

A supplier conference is held by PTI every year to establish a sustainable supply chain and effectively convey the concepts of corporate social responsibility. In addition to promoting joint growth and positive relations with suppliers, the conference is also used to share trends in sustainable development and the social responsibility activities on each side. By working together to promote the ideals of social responsibility, PTI and its suppliers can have realized the shared values of sustainable development and mutual success.

A total of 106 vendors and more than 150 representatives of chemical, material and human resources companies took part in the 2020 “Supplier Social Responsibility Conference.” The conference agenda encompassed developments and requirements of international GP regulations, information security awareness, environmental health and safety reviews, and creating sustainable new value together through CSR. These topics helped suppliers understand the direction that PTI is taking on sustainability so that everyone can work together towards the common goal of a sustainable future.

8. Status and Results of the Practice of CSR

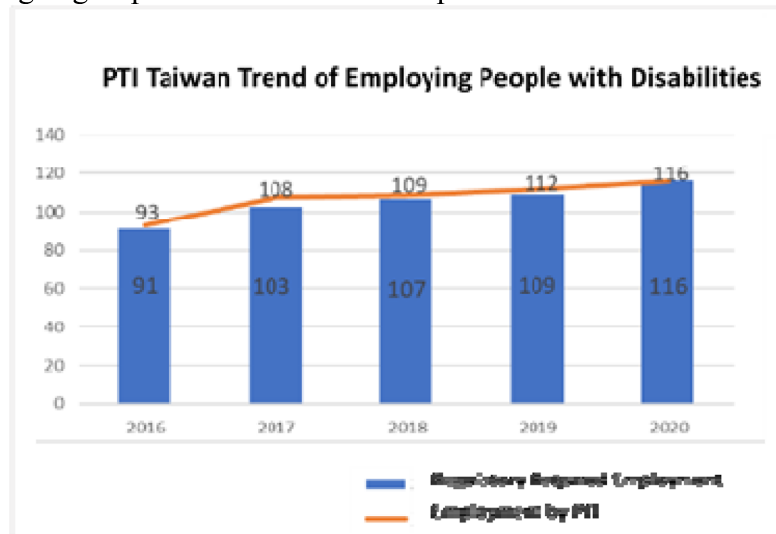
Social Aspects:

1. Talent Recruitment

PTI continues to provide job opportunities by employing over 2,083 employees in 2020. At the same time, we hire from the minority groups which helps resolve their economic pressure. In 2020, we have 106 employees from minority group.

2. Employment for Disabled People

To attend the needs of disabled people and improve our work environment, we welcome physically or mentally disadvantaged persons to work at PTI. PTI continues to hire disabled people in accordance to the law, as of Dec. 2020, PTI have 116 employees from disadvantaged group and we have hired 37 persons in 2020.



3. Establishment of “PTI Education Foundation”

PTI has established the "PTI Educational Foundation" (the Foundation) in 2017, to promote technology education, culture education, and talent development, as well as to be responsible corporate citizens. The foundation has been actively involved in community services to make the world a better place to live in.

2020 community give back included:

- ✧ Sponsorship for remote area elementary school baseball weekly activities
- ✧ Internship for nationwide college students
- ✧ Volunteers for children in need
- ✧ Santa for 3 remoted Children charity centers located in Taoyuan, Hsinchu, and Meili.
- ✧ Sponsorship music concerts and nature education for remote area children in need
- ✧ Sponsorship for “Twelve Nights II” movie to promote the awareness of animal welfare.
- ✧ PTI Educational Foundation has granted scholarship to 215 students in 2018, along with win-win situation for schools and our company

4. Volunteers Activity

PTI founded the volunteering club and with the resource from PTI Education Foundation. We were able to actively promote community service and care, also, be responsible corporate citizens. The company events invite charity groups to setup stalls to increase fundraising for the minority children, elderly living alone, and charity groups.

5. Industrial-Academy Collaboration

PTI has dedicated to the cultivation of students, enthusiastically working with nearby schools to create more job opportunities. PTI promotes industry-academy collaboration to ensure talents are properly developed and willing to stay with the company, thereby creating a win-win collaboration between corporate and sociality.

Employee Aspects:

1. Policy for Positions Retained without Pay

Following government regulations, PTI (Taiwan) allows applications for positions retained without pay from any gender to encourage childbirth. As for 2018, there are a total of 367 childbirths under this policy.

2. Positions Retained without Pay:

- ✧ In 2020, 376 employees applied for maternity/ paternity leave without pay, and over 15.5% were male employees. Among those who applied for position retained without pay for maternity or paternity, 84% of employee returned to their positions. After returning to their positions for one year, retention rates were 88%.
- ✧ Breastfeeding Room: We encourage postnatal employees to feed and collect breast milk. All plants are equipped with breastfeeding rooms with refrigerators installed for breastfeeding mothers to use.
- ✧ Reserved Parking Spots for Pregnant Women: To allow pregnant women and postnatal mothers to have more convenient workplace, we have reserved parking spots for pregnant women for their priority parking.

3. Child-Care Service

PTI cares about the employees and their interaction with their families. We bring energy and happiness to their lives in addition to job opportunities in many regions. By having the employee welfare committee signing designated kindergartens and child-care facilities in the areas where employees reside, we offer options of pre-school care for the children of our employees so that the employees can excel in both their work and their family life without any worries.

VI. Status of Business Conduct and Ethics

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1) Does the company have bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and the commitment regarding implementation of such policy from the Board of Directors and the management team?	√		The Company's Board of Director has approved "Corporate Conduct and Ethics Policy" base on the guidance of "Public Company Conduct and Ethics Practice Principles" on April 30 2013, and approved the 1st amendment on Feb 9 2015. 2 nd amendment approved on Nov 2 2018. 3 rd amendment approved on Mar 10 2020.	
(2) Does the company establish relevant policies which are duly enforced to prevent unethical conduct and provide implementation procedures, guidelines, consequence of violation and complaint procedures in such policies?	√		The Company has established the following guidance: Prohibition against Providing or Accepting Improper Benefits Prohibition against and Handling Procedure for Facilitating Payments Avoidance of Conflict of Interest Procedures for Making Political Contributions, Charitable Donations or Sponsorships Procedures for Developing & Establishing Business Relationship Disclosure of Ethical Management Policy to the Public Prohibition against Insider Trading Prohibition against Disclosure of Confidential Information Prohibition against Infringement of Intellectual Property Rights Prohibition against Acts of Unfair Competition	Comply with regulations.

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
			Preventing Products or Services from Damaging the Stakeholders	
(3) Does the company establish appropriate compliance measures for the business activities prescribed in paragraph 2, article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and any other such activities associated with high risk of unethical conduct?	√		Please refer to Note 1.	
2. Ethic Management Practice				
(1) Does the company assess the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?	√		Please refer to Note 2.	Comply with regulations.
(2) Does the company set up a unit which is dedicated to or tasked with promoting the company's ethical standards and reports directly to the Board of Directors with periodical updates on relevant matters?	√		The Company has set up a CSR Office on Aug 1, 2014 and dedicated to promote and enforce ethical practices and reported directly to the Board of Directors.	
(3) Does the company establish policies to prevent conflict of interests provide appropriate communication and complaint channels and implement such policies properly?	√		Employment contract stated all employees should avoid conflict of interests. Every employee every year signs "Agreement of Avoidance of Conflicts of Interest." starting from 2015. 2016 implement online training course for Code of Ethic and weighted in training scores with annual evaluation.	Comply with regulations.
(4) To implement relevant policies on ethical conducts, does the company establish effective accounting and internal control systems that are audited by internal auditor s or CPA periodically?	√		The Company has established comprehensive accounting and internal control procedures and reporting system.	
(5) Does the company provide internal and external ethical conduct training programs on a regular basis?	√		Please refer to Note 3.	

Assessment Item	Implementation Status			Non-implementation and Its Reason(s)
	Yes	No	Explanation	
3. Implementation of Complaint Procedures				Comply with regulations.
(1) Does the company establish specific complaint and reward procedures, setup conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	√		The Company has established communication channels and complaint reporting system. Dedicated personnel handle complaints and make sure whistleblower identity will remain anonymous.	
2) Does the company establish standard operation procedures for investigating the complaints received and ensuring such complaints are handled in a confidential manner?	√		Please refer to Note 4.	
(3) Does the company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	√		The Company has established proper procedure to keep whistleblower identity anonymous and away from wrongful conducts.	
4. Information Disclosure Does the company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (“MOPS”)?	√		The information and results of Code of Business Conducts and Ethics were available on MOPS and company website. https://www.pti.com.tw/zh/ir/corporate/majorinternalpolicies	Comply with regulations.
5. If the company has established corporate governance policies based on TSE Corporate Conduct and Ethics Best Practice Principles, please describe any discrepancy between the policies and their implementation. PTI has established the Code to require that all employees, officers and board members comply with the Code and the other policies and procedures. There is no discrepancy between the Code, including its affiliate policies and procedures, and its implementation. For more details, please refer to “ <u>Code of Business Conduct and Ethics</u> ” from the company website.				
6. Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy). PTI has been regularly reviewed the conduct and ethics compliance practices. 3 rd amendment was approved by Board on Mar 10 2020. Amendment was intended to improve the performance of the practice. CSR office was in charge of the implementation and directly report to the Board.				

Note:

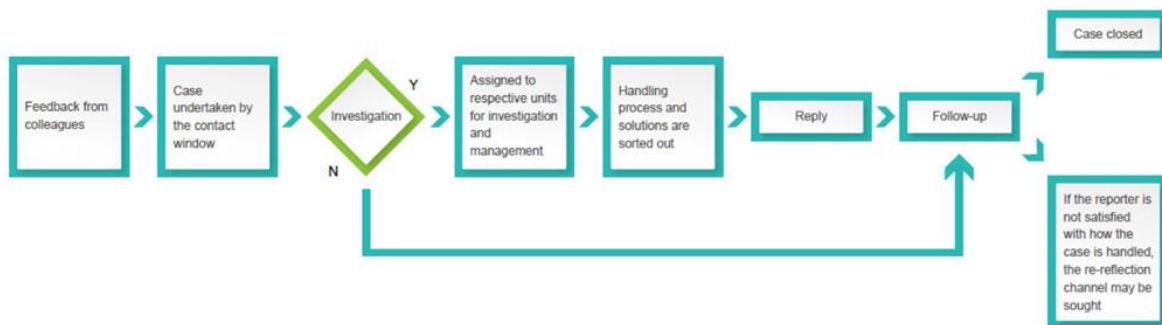
1. The Company has placed the following procedures in place for business activities with higher risk of ethical conducts defined by Article 7 Item 2 of Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies:
 - a. Standard procedures and guidance for behaviors to avoid violate code of ethics.
 - b. Set up internal balancing structure to eliminate risk of breach of ethics conducts.
 - c. Promote the code of ethics and aware the consequences of violation.
 - d. Standard procedures for whistle blowing and investigation.
 - e. Evaluation of procedures and results.
 - f. Quantified management results and makes data available on company website, annual report, and MOPS.
2. Evaluation for risk of ethic conducts before engaged with suppliers. Evaluation items included:
 - a. Operation locations, organization structure, operation policy, and payment location.
 - b. Ethical conduct status and practice.
 - c. Located in high risk of countries.

- d. Industry belongs to high risk category.
- e. Long term profitability and reputation.
- f. History of bribery or misconduct.

3.2020 Code of Business Conduct and Ethics Training Details:

Type of Employee	Course	Number of Employees	Hours per person
New Hired	Training for new hire employees.(Including data security, and code of ethics)	1,226	1,055
Existing	Individual Identity Security.	10,979	10,979
	Law of Trade Secret	10,979	10,979
	Corporate Ethics Conduct.	10,979	10,979
Total		34,203	33,992

4. Standard flow of investigation and procedure:



VII. Posting of Code of Business Conduct and Ethics:

Information for Code of Business Conduct and Ethics can be found on:

MOPS website: <http://mops.twse.com.tw>

Company website: <http://www.pti.com.tw>

VIII. Other Significant Information Regarding Code of Business Conduct and Ethics:

None.

(IV) Internal Control System Execution Status

1. Statement of Internal Control System

Powertech Technology Inc.

Statement of Internal Control System

Mar 12, 2021

Based on the findings of a self-assessment, Powertech Technology Inc. (PTI) states the following with regard to its internal control system during the year 2020:

1. PTI's Board of Directors and Management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability of our financial reporting, and compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and PTI takes immediate remedial actions in response to any identified deficiencies.
3. PTI evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring.
4. PTI has evaluated the design and operating effectiveness of its internal control system according to the aforesaid regulations.
5. Based on the findings of such evaluation, PTI believes that, on December 31, 2020, we have maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability of financial reporting, and compliance with applicable laws and regulations.
6. This Statement will be an integral part of PTI's Annual Report for the year 2020 and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement has been passed by the Board of Directors in their meeting held on Mar 12, 2021, with none of the ten attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Powertech Technology Inc.

Chairman: D.K. Tsai

CEO: Boris Hsieh

President: J.S. Leu

2. For entrusted to CPA for auditing and reviewing international control, should disclose the CPA's audited report: None.

(X) In the most recent year and as of publication date of this annual report, incident of company or staff being penalized, staff violating internal audit system and being penalized, major defects and status for improvements: None.

(XI) Major conclusions of board and shareholders meeting:

1. Shareholder Meeting Major Conclusion and Execution

Date	Type of Meeting	Major Conclusion
May 28, 2020	Annual Shareholder Meeting	<ol style="list-style-type: none"> 1. Reviewed 2019 Business Report and Financial Reports. 2. Approved and distributed 2019 profit sharing distribution. NT\$4.50 cash distribution on Sep 4, 2020 for shareholders holding position on Aug 6, 2020. 3. Approved capital increase by issue new shares or GDR, or issue new general shares, or issue new general shares for private placement or convertible bonds. 4. Elected Board of directors: DK Tsai, JY Hung, HS Leu, Kingstong Technology Corp. Investment Account Rep: Shigeo Koguchi and Daphne Wu Greatek Electronic Inc. Rep: Boris Hsieh Kioxia Memory Semiconductor Taiwan Corp. Rep: Kenjiro Hara Independent Director: Jim WL Cheng Pei-Ing Lee Morgan Chang Jui-Tsung Chen Election results were updated on MOPS on the same day of election and filed with authority on Jun 22 2020. Information also available on the company website. 5. Approved no-competition clause for board directors and filing completed on the same day of shareholders' meeting.

2. Board Meeting Major Conclusion and Execution

Date	Type of Meeting	Major Conclusion
Mar 10, 2020	Board Meeting (8th Term 16th meeting)	<ol style="list-style-type: none"> 1. Approved 2020 business operations proposal. 2. Approved 2019 business operations report and financial reports. 3. Approved 2019 profit distribution proposal. 4. Approved 2019 Board of Directors and employees' annual compensation proposal. 5. Approved 2019 Internal Control Declaration and reviewed the results of 2019 Internal Control execution. 6. Approved internal control system and internal audit procedures amendments. 7. Approved amendment of Code of business conduct and ethics. 8. Approved board evaluation guidance proposal. 9. Approved amendment of Rules & procedures of shareholders' meeting, Article of Audit committee and Article of Remuneration committee. 10. Approved management compensation proposal. 11. Approved management promotion proposal.

Date	Type of Meeting	Major Conclusion
		12. Approved credit application with financial institutions. 13. Approved credit limit for foreign currency trades. 14. Approved financial endorsement for subsidiary loan application. 15. Approved of discontinue of 2019 capital increase through private placement. 16. Approved capital increase by issues new shares or GDR, or private placement, or convertible bonds. 17. Reviewed independence of CPA. 18. Approved of board election. 19. Approved on no-competition clause for board directors. 20. Approved 2020 shareholder meeting proposal.
Apr 10, 2020	Board Meeting (8th Term 17th meeting)	1. Review candidates of board director (including independent director) 2. Approved increase capital investment for Powertech Technology (Suzhou) Ltd. 3. Approved maximum issuance number of private placement and convertible bounds proposal.
May 8, 2020	Board Meeting (8th Term 18th meeting)	1. Presented 1Q20 financial reports. 2. Approved increase credit limit from finance institution. 3. Approved credit limit for foreign currency trades. 4. Approved financial endorsement for subsidiary loan application.
Jun 5, 2020	Board Meeting (9th Term 1st meeting)	1. Election for chairman 2. Appointed members for 3 rd term of Audit committee 3. Appointed members for 4th term of Remuneration committee 4. Approved independent directors' compensation adjustment proposal 5. Approved 2019 profit distribution date proposal 6. Approved acquisition of land and building proposal
Aug 7, 2020	Board Meeting (9th Term 2nd meeting)	1. Approved 2Q20 financial statement 2. Approved 2019 management and employees' compensation proposal. 3. Approved retirement of JY Hung as President and CEO 4. Approved new appointed CEO Boris Hsieh 5. Approved on no-competition clause for board directors 6. Approved new appointed President JS Leu 7. Approved new appointed management for Powertech Technology Inc. Hsinchu Science Park branch. 8. Approved new management recruitment. 9. Approved consolidated operations of Powertech Technology Akita Inc. proposal 10. Approved consolidated operations of Powertech Technology (Singapore) Pte. Ltd. proposal 11. Approved spin off chip probing operations to TeraPower Technology Inc. 12. Approved credit application with financial institutions. 13. Approved credit limit for foreign currency trades. 14. Approved loan application of a subsidiary 15. Approved financial endorsement for subsidiary 16. Approved financial endorsement for subsidiary loan application.

Date	Type of Meeting	Major Conclusion
Nov 6, 2020	Board Meeting (9th Term 3rd meeting)	<ol style="list-style-type: none"> 1. Approved 3Q20 Financial statement 2. Approved 2021 Internal audit plan proposal. 3. Approved Corporate Governance Officer proposal. 4. Approved amended Rule and Procedure for Board Meeting 5. Approved amended Corporate Governance Best Practice Principles 6. Approved amended Procedures for lending funds to others and Procedures for endorsement and guarantee 7. Approved assignment of manager 8. Approved assignment of internal audit manager 9. Approved credit application with financial institutions. 10. Approved credit limit for foreign currency trades.
Mar 12, 2021	Board Meeting (9th Term 4th meeting)	<ol style="list-style-type: none"> 1. Approved 2021 Business Operation proposal. 2. Approved 2020 Business Operation Report and Financial statement 3. Approved 2020 Profit Sharing Proposal. 4. Approved 2020 compensation plan for Board and employees 5. Approved amendment of Internal Control Procedures and Internal Audit Procedures. 6. Approved management compensation adjustment proposal 7. Approved reassignment of management 8. Approved amendment of Article of Incorporation 9. Approved amendment of Rule and Procedure for Board Meeting 10. Approved credit application with financial institutions. 11. Approved credit limit for foreign currency trades. 12. Approved discontinuation of 2019 capital raise proposal 13. Approved capital raise proposal by private placement, issue GDR, CDB, or new shares. 14. Reviewed independence and competence of CPA 15. Approved 2021 shareholder meeting proposal

(XII) Different opinions from board or supervisor regarding major decision of board: None.

(XIII) Termination of chairman, president, head of accounting, head of finance, head of internal control, or head of R&D as the date of report printing:

1. Mr. JY Hung retired from President & CEO on Sep 30 2020. Mr. JS Leu was appointed as successor of President. Mr. Boris Hsieh was appointed as successor of CEO.
2. Ms. Teresa Tseng, Director of Internal Audit, took leave of absent for personal health reason starting from Sep 1 2020. Mr. Huck Shen was appointed as successor.

5. Professional Audit Services Information

CPA Firm	Name of CPA		Audit Period	Note
Deloitte & Touche LLP	Yu Feng Huang	Cheng-Chih Lin	Jan 1, 2020 ~ Dec 31, 2020	

Unit: NTS

Range amount		Items	Audit Fees	Non-Audit Fees	Total
1	Less than \$2,000,000			√	
2	\$2,000,000 to \$3,999,999				
3	\$4,000,000 to \$5,999,999				
4	\$6,000,000 to \$7,999,999				
5	\$8,000,000 to \$9,999,999				
6	\$10,000,000 or above		√		√

- (1) The amount paid to CPA accountant, accounting firm, and related industries for non-audited fees over 25%, should disclose the audited and non-audited amount and the content of non-audited service items.

Unit: NTS Thousands

CPA Firm	Name of CPA	Audit Fee	Non-Audit Fee					Audit Period	Note
			System Design	Company Registration	Human Resource	Others	Subtotal		
Deloitte & Touche LLP	Cheng-Chih Lin Yu-Feng Huang	12,340	290	0	20	969	1,279	Jan 1 - Dec 31, 2020	Other non-audit fees including: 1. Services of Auditing & Tax filing NT\$404 K 2. Transfer pricing report fees NT\$194K 3. Preparation for Investment Commission NT\$50K 4. Services for sales tax withholding and fees NT\$161K 5. Services for custom duty tax filing NT\$60K 6. Services for audit of undistributed earnings tax credit for investment incentives NT\$40K 7. Services for XBRL filing NT\$60K

- (2) If change CPA firm and the amount paid for audited fee currently is less than previous year's audited fees, should disclose the amount of audited fee reduction, proportion, and reason: None.
- (3) If the audited fee has reduced by over 15% from previous year, should disclose the amount of audited fee reduction, the proportion, and reason: None.

6. Change of Accountant

(1) Former CPAs

Date of Change	Mar 14 2019		
Reason and Explanation for Change	In compliance with regulatory requirements on rotation.		
State whether the Appointment is Terminated or Rejected by the Consignor or CPAs	Status/Client	CPA	Consignor
	Terminate Assignment Voluntary		
	Assignment Rejected (Continue)		
The Opinions other than Unmodified Opinion Issued in the Last Two Years and the Reasons for the Said Opinion	None		
Is there any disagreement in opinion with the issuer	Yes		Accounting principle or practice
			Disclosure of financial statements
			Auditing scope or procedures
			Others
	No	√	
Note			
Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Standards)	None		

(2) Successor CPAs

Accounting Firm	Deloitte & Touche
Name of CPA	Yu-Feng Huang, Cheng-Chih Lin
Engagement Date	Mar 14, 2019
Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions, and the Type of Audit Opinion that Might be Rendered on the Financial Report	None
Written Opinions from the Successor CPAs that are Different from the Former CPAs Opinions	None

NOTE: In compliance with CPA firm regulatory rotation requirements, Yu-Feng Huang and Cheng-Chih Lin appointed as CAPs to replace Yu-Feng Huang and Su-Li Fang.

(3) Reply by predecessor CPA regarding Article 10, Subparagraph 10, Item 1 and Item 2-3 of this guideline: None.

7. Chairman, CEO, Head of Financial or Accounting Department – Information Relating to Serving at Accounting Firm of CPAs or related companies: None.

8.Changes in Shareholding and Changes in Pledge of Shares by Board of Directors, Independent Directors, Managers, and Shareholders owning more than 10% of company shares in most recent year and as of publication date of annual report

(1) Changes in Shareholding and Changes in Pledge by Board of Directors, Independent Directors, Managers holding more than 10% of company shares

Unit: Shares

Title	Name	2020		As of Mar 31, 2021	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman	D.K. Tsai	120,000	—	0	—
Director	JY Hung	(10,000)	—	(2,000)	—
Director	Kingston Technology Corp. Investment Account Rep: Shigeo Koguchim, Daphne Wu,	0	—	0	—
Director	Greatek Electronic Inc. Rep: Boris Hsieh	3,520,000	—	0	—
Director	Kioxia Semiconductors Taiwan Corp. Rep: Kenjiro Kara	0	—	0	—
Independent Director	Jim W.L. Cheng	(140,000)	—	0	—
Independent Director	Pei-Ing Lee	0	—	0	—
Independent Director	Morgan Chang	0	—	0	—
Independent Director	Jui-Tsung Chen	0	—	0	—
CEO	Boris Hsieh	0	—	0	—
Director & President	J.S. Leu	(28,000)	—	0	—
Manager	John Wang	25,000	—	0	—
Manager	John Chang (Note)	(35,000)	—	0	—
Manager	Tonwey Cheng (Note)	0	—	0	—
Manager	Phu Le	0	—	0	—
Manager	Y.C. Chen	0	—	0	—
Manager	Paul Wu	0	—	0	—
Manager	Wilber Wu	(12,000)	—	0	—
Manager	Y.C. Chi	(12,000)	—	25,000	—
Manager	David Fang	0	—	0	—
Manager	Kevin Chiao	0	—	0	—
Manager	Perry Lin	(72,000)	—	0	—
Manager	Yohan Lin	0	—	0	—
Manager	Vic Chen	0	—	0	—
Manager	Victor Tung	0	—	0	—
Manager	Jonny Chu	0	—	0	—
Finance & Accounting Manager	Evan Tseng	(10,000)	—	0	—

Note : John Chang resigned from Sr. VP of Information and Materials Management on Dec 31 2020. Tonwey Cheng resigned from Singapore Operation Sr. VP on Jan 31 2021.

(1) Stock Trade or Stock Pledge with Related Party: None.

9. Information on Top 10 Shareholders of company shares who are spouses or within Second-degree Relative of Consanguinity to Each Other:

Apr 1, 2021

Name	Shareholding		Spouse & Minor Children		PTI Shareholding by Nominee Arrangement		Name and Relationship Between PTI's Top 10 Shareholders as Defined in the Statement of Financial Accounting Standards No. 6		Note
	Shareholding	%	Shareholding	%	Shareholding	%	Title (or Name)	Relationship	
China Life Insurance Co., Ltd. Rep: Stephanie Hwang	36,157,000 0	4.64% 0.00%	—	—	—	—	None	—	—
Investment Account of Kingston Technology Corporation	29,875,000	3.83%	—	—	—	—	KTC-TU Corp. and KTC-SUN Corp.	The reps. of the two companies and the CEO and VP. of the shareholder are the same person	
Cathay Life Insurance Co. Ltd. Rep: Tiao-Kuei Huang	22,018,000 0	2.83% 0.00%	—	—	—	—	None	—	—
Hermes Investment Funds Public Limited Company	19,572,990	2.51%	—	—	—	—	None	—	—
Nan Shan Life Insurance Co., Ltd. Rep: Tang Chen	18,365,000 0	2.36% 0.00%	—	—	—	—	None	—	—
Fubon Life Insurance Co. Ltd. Rep: Richard Tsai	14,915,000 0	1.91% 0.00%	—	—	—	—	None	—	—
New Labor Pension Fund	14,311,800	1.84%	—	—	—	—	None	—	—
KTC-SUN Corp. Rep: David Sun	13,765,362 0	1.77% 0.00%	—	—	—	—	Investment Account of Kingston Technology Company	The CEO of that company and the rep. of that shareholder is the same person	—
Kuwait Investment Authority	12,342,000	1.58%	—	—	—	—	None	—	—
Yuanta Taiwan High-yield Leading Company Fund	10,951,000	1.41%	—	—	—	—	None	—	—

10. Shareholding Information Regarding the Same Invested Company of Company, Company's Board of Directors, Committee Members, Managers, and Businesses That Are Directly or Indirectly Controlled By Company

Units: Shares, %

Invested Company (note)	Investment by Powertech Technology Inc.		Investments directly or indirectly controlled by Directors, Committee members, managers, and company		Combined Investments	
	Shareholding	%	Shareholding	%	Shareholding	%
TeraPower Technology Inc.	73,385,830	49.00%	76,831,170	51%	149,767,000	100.00%
Powertech Holding (BVI) Inc.	50,000	100.00%	0	0%	50,000	100.00%
Greatek Electronics Inc.	244,064,379	42.91%	0	0%	244,064,379	42.91%
Powertech Technology (Singapore) Pte. Ltd.	85,000,000	100.00%	0	0%	85,000,000	100.00%
Powertech Technology Japan Ltd.	—	100.00%	0	0%	—	100.00%

Note: Investment using Equity Method Evaluation.