

## Diversification and Independence of the board of directors

### ■ Diversification of the membership of board of directors

(1) The company has formulated the policy and concrete management goal on the diversification of the membership of the board of directors:

The company's "corporate governance best practice principles" and "Rules of Governing election of Directors" both specify that diversification should be taken into account in the composition of the board of Directors, according to which in addition to the number of Directors doubling as the company's managers should not exceeds one third of the total seats and the number of Directors without spouse or relative within second kinship also serving as Director should exceed one half of the total, the company should formulate diversification guidelines, in line with its operation, business type, and development need, covering, but not limited to, standards in the following two major aspects:

- 1). basic conditions and value: gender, age, etc.;
- 2). professional knowledge and skills.

(2) According to the diversification guideline, in addition to the goal of reserving at least two seats for females, the professional backgrounds and expertise of Directors should span different fields and features, including operation and management, leadership and decision making, commerce and economy, finance and accounting, R&D, industrial experience, international market perspective, which are supplementary in nature, so as to strengthen the company's operation and attain the goal of sound corporate governance.

(3) Status in materialization of the diversification guideline:

1) Basic conditions and value:

- a. The Company's board of Directors consists of 17 Directors, including 5 Independent Directors representing 29% of the board, The Company's Articles of Incorporation stipulate that the continuous tenure of Independent Director shall not exceed three terms. The Company has 5 Independent Directors. The continuous tenure of all Independent Directors has not exceeded three consecutive terms.
- b. The current board consists of 14 male Directors and 3 female Directors, with male and female Directors accounting for 82% and 18% respectively. Due to the difficulty in recruiting qualified professionals with expertise in the biotechnology and healthcare management field, the proportion of Directors of a single gender has not reached one-third of the total number of Directors. However, the Company is already aware of the relevant regulations regarding gender diversity on the Board of Directors. Therefore, to enhance gender diversity on the Board and move towards "sustainable development," the Company will expand the scope of selection during the Director nomination process in the future and actively seek female Director candidates with diverse backgrounds to achieve the goal gradually.

2) Professional knowledge and skills

- a. Members of the current board of Directors generally possess knowledge and skills for undertaking their duties, spanning business judgment, operation and management, industrial experience, R&D, and leadership and decision making, on top of abundant international perspective.
- b. They are experts, scholars, and industrial specialists with diverse backgrounds spanning business management, finance and accounting, money, commerce, economics, medicine, pharmaceuticals, and chemical, with Independent Directors all being prominent scholars and experts in their fields, including Director of medical university and member of Academia Sinica, distinguished research fellow at Institute of Cancer Research, National Health Research Institute, Chair Professor of Medical University, Executive Director of Taiwan Oncology Society, Resident Physician of hospital and deputy Director of accounting firm is also associate professor in university and Directors in other Industries. It is evident that Directors

and Independent Directors have diverse and supplementary professional backgrounds, conforming to the diversification guidelines and facilitating enhancement of the company's business performance and management efficiency.

■ Independence of the board of directors

(1) Not in contravention of Article 30 of the Company Act, except chairman Chih-Hsien Lo and his spouse director Shioh-Ling Kao(2 directors), the other 15 directors are not in contravention of item 3 and item 3&4 of article 26-3 of the Securities and Exchange Act.

(2) All the independent directors conform to the regulations on independent directors formulated by the Financial Supervisory Commission, with the status of their independence as follows:

Name of Independent Directors	Assumption of such positions as the director, supervisor, or employee of the company or affiliates by himself/herself, spouse, and relative within second kinship	The number and percentage of shares owned by himself/herself, spouse, and relative within second kinship (on in the name of others)	Assumption or not of such positions as the director, supervisor, or employee of some company with special relationship with the company.	Obtaining of compensations for provision of such services as commerce, legal affairs, financial affairs, and accounting to the company or its affiliates in recent two years
Wen-Chang Chang	No	None	No	None
Li-Tzong Chen	No	None	No	None
Lewis Lee	No	None	No	None
Jang-Yang Chang	No	None	No	None
Lai-Shou Su	No	None	No	None

Note 1: Diversification and professional skills of the Individual member of board of directors

Name	Basic information					Professional ability											
	Nationality	Gender	Age group			The tenure of Independent Directors shall not exceed three terms	Professional background	Ability to make professional judgement	Ability to conduct management administration	Commerce and Economics	Ability to perform accounting and financial analysis	Knowledge of the industry	Professional R&D	An International market Prospect	Ability to lead	Ability to make policy decisions	Ability to manage risk
			51~60	61~70	71~80												
Chih-Hsien Lo	R.O.C.	M		✓		Business Administration	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Tsung-Pin Wu	R.O.C.	M		✓		Finance & accounting	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Jia-Horng Guo	R.O.C.	M		✓		Finance & Banking	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Chyun-Yu Yang	R.O.C.	M			✓	Medicine	✓	✓			✓	✓		✓	✓	✓	
Fu-Jung Lai	R.O.C.	M	✓			Business Administration	✓				✓			✓		✓	
Chin-Yuan Cheng	R.O.C.	M		✓		Biochemical Engineering	✓	✓			✓	✓	✓	✓	✓	✓	
Po-Ming Hou	R.O.C.	M		✓		Tourist management	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Shiow-Ling Kao	R.O.C.	F		✓		Business	✓	✓	✓		✓		✓	✓	✓	✓	
Ming-Chuan Hsieh	R.O.C.	F		✓		Medical Matters Management	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Ya-Po Yang	R.O.C.	M		✓		Economics	✓	✓	✓				✓	✓	✓	✓	
Chiou-Ru Shih	R.O.C.	F	✓			Economics	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Ling Ming Sun	R.O.C.	M		✓		Agro-chemical	✓	✓	✓		✓			✓	✓	✓	
Wen-Chang Chang	R.O.C.	M			✓	✓	Pharmacy	✓	✓		✓	✓	✓	✓	✓	✓	

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			51~60	61~70	71~80												
Li-Tzong Chen	R.O.C.	M		✓		✓	Clinical Medicine	✓	✓			✓	✓	✓	✓	✓	✓
Lewis Lee	R.O.C.	M		✓		✓	Certified Public Accountant	✓	✓	✓	✓		✓	✓	✓	✓	✓
Jang-Yang Chang	R.O.C	M		✓		✓	Medicine	✓	✓			✓	✓		✓	✓	✓
Lai-Shou Su	R.O.C	M		✓		✓	Business Administration	✓	✓	✓	✓				✓		✓