

Diversity of the Board of Directors:

The Company has stipulated diversified policies for the composition of Board members in the “Corporate Governance Best Practice Principles.” With regard to the board composition, it is advisable that the number of the directors who concurrently serve as the managers of the Company should not exceed one-third of the board seats. In addition, the Company has, based on its own operations, operational patterns and developmental needs, formulated appropriate diversification policies including but not limited to the following:

1 Basic conditions and value: gender, age, nationality and culture.

2. Professional knowledge and skills: operational judgment capability, accounting and financial analysis capability, business management capability, risk management capability, industry knowledge, international market outlook, leadership capability, and decision-making capability.

The company's tenth Board of Directors has nine members (including four independent directors), with independent directors accounting for 44%, and one female director. The nine directors have different industry operating experience and have different professional capabilities. This has a complementary effect on the corporate development and business operations, as well as a synergistic effect on future development. On October 28, 2020, the Company established a Nomination Committee for Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the board, supervisors and senior executives, and finding, reviewing, and nominating candidates for directors based on such standards. The Company's Board of Directors currently has nine seats, including one female director, accounting for one-third of the total. This is mainly due to the fact that the iron and steel industry is a traditional heavy industry with a relatively high proportion of male employees, resulting in a limited number of female talents with industrial practical experience and high-level management background. However, the Company places great emphasis on the composition of the board of directors, and recognizes that gender diversity will help strengthen the effectiveness of corporate governance and the quality of decision-making.

In order to improve the diversity and gender balance of the Board of Directors, the Company will include gender diversity in the nomination and selection of directors in the future, and actively explore female talents with professional ability, industry experience and leadership potential as an important source of director candidates. In addition, the Company will continue to promote the cultivation of female managers, strengthen their management functions and decision-making participation, and expand the depth of the future female leadership.

Specific management objectives for diversification	Implementation status
Directors who concurrently serve as the company's manager shall not exceed one-third of directors	Only one director serves as concurrent manager of the company, accounting for 11.11% of the total number of directors, which conforms with the objective of not exceeding one-third of directors.

Specific management objectives for diversification	Implementation status
The Board members shall include at least one female director.	The company's Board members include one female director, which achieved the objective of gender equality.
At least one director should have a professional background in finance or accounting, or management experience in the steel industry.	Among the board members, 3 directors shall have financial accounting backgrounds, 2 directors shall have expertise in law, and all directors shall have industry-related management experience.
Among the board members, the directors who concurrently serve as employees of the company, parent company, subsidiary or sister company shall be less than (including) one-third of directors to achieve the objective of supervision.	2 directors concurrently serve as employees, accounting for 22.22% of directors, with the objective of not exceeding one-third of directors.

Core items for diversification	Basic composition					Business management	Leadership and decision-making	Industrial knowledge	Law	Financial accounting	Human resource	Marketing
	Gender	Age Distribution										
Director Name		40-49	50-59	60-69	70-79							
Chairman Chiung-Fen Wang	Male			✓		✓	✓	✓	✓			
Director Shih-Chieh Chao(Note 1)	Male				✓	✓	✓	✓				
Director Yi-Chang Hsieh (Note 2)	Male			✓		✓	✓		✓			
Director Wen-Yuan Lin	Male			✓		✓	✓	✓				✓
Director Cheng-Hsiang Chen	Male			✓		✓	✓	✓				
Director Yi-Ching Wu	Female	✓				✓	✓	✓		✓		✓
Independent Director Chun-Hsiung Chu	Male		✓			✓	✓	✓	✓			
Independent Director Yi-Lang Lin	Male					✓	✓	✓		✓	✓	
Independent Director Tzu-Meng Liu	Male				✓	✓	✓	✓		✓		
Independent Director Tian-Lin Chao	Male		✓			✓	✓					

Note 1: Director Shih-Chieh Chao passed away on January 8, 2025 and was discharged from his post of director.

Note 2: For the corporate director of Taiwan Steel Corporation appointed Hsieh Yi-Chang as the new director on February 25, 2025.