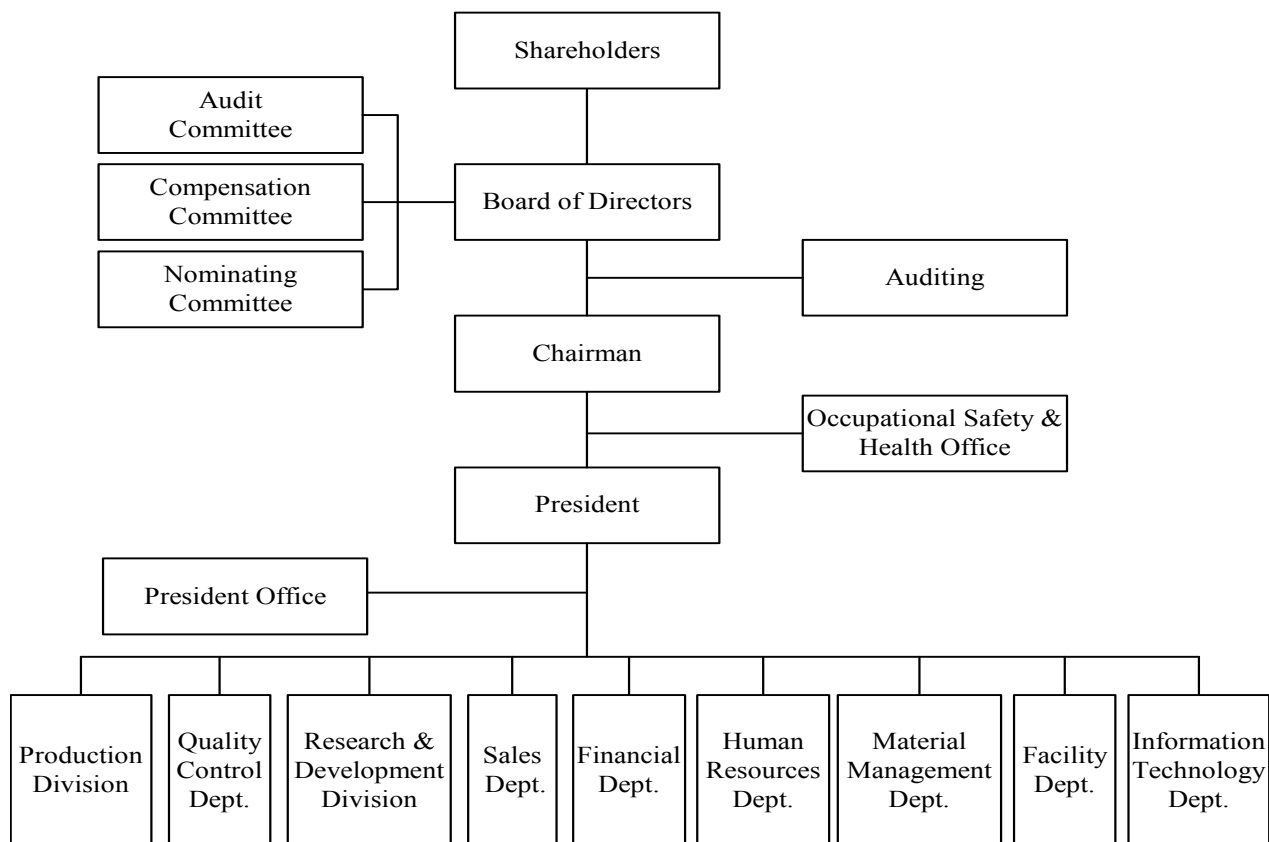


### III. Corporate Governance Report

#### 3.1 Organization

##### 3.1.1 Organizational Chart



##### 3.1.2 Functions of Departments

Department	Functions
President Office	Responsible for the planning and implementing of Company structure, managing the implementing of special projects and assisting the President with internal manage and external issues.
Auditing	Reviews and assesses the internal control system and provides analysis and evaluations.
Occupational Safety & Health Office	Responsible for the planning, managing and operating of labor safety and health of the Company.
Production Division	Responsible for production capacity allocation, product manufacturing and equipment repair.
Quality Control Dept.	Inspects and accepts raw materials and products and performs quality controls.
Research & Development Division	Responsible for technology development and design for products, materials analysis and process improvement.
Sales Dept.	Responsible for analyzing industry data, corporate marketing activities and after sales service.
Financial Dept.	Responsible for the planning, implementing and control of treasury, accounting, tax and shareholder affairs.
Human Resources Dept.	Responsible for the planning and execution of human resources, employee training, general affairs and asset management.
Material Management Dept.	Responsible for the raw materials, machinery and equipment procurement; import, export and storage management.
Facility Dept.	Responsible for the planning, set-up and maintenance of facilities.
Information Technology Dept.	Responsible for the planning and management of the Company information systems, software and network.

## 3.2 Directors, Supervisors and Management Team

### 3.2.1 Directors and Supervisors

#### A. Directors

As of 04/16/2024

Title	Nationality / Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C	Shuang De Investment Corp.	-	06/17/2022	3	06/25/2013	46,000	0.07%	60,000	0.09%	0	0%	0	0%	None	None	None	None	None	Note 2
		Rep.: Chien-Wen Kuo	Male 51-60				1,709,481	2.48%	1,709,481	2.48%	365,017	0.53%	0	0%	•Bachelor Degree in Department of Civil Engineering, Chung Yuan Christian University •Chairman of Ting Fu Investment Corp.	Note 1	Director Director	Chih-Chun Kuo Te-Ti Han	Brother Spouse	
Director	R.O.C	Kuo Chia Fu Investment Corp.	-	06/17/2022	3	06/28/2001	5,485,189	7.95%	5,485,189	7.95%	0	0%	0	0%	None	None	None	None	None	Note 5
		Rep.: Yung-Fu Kuo	Male 81-90				0	0%	0	0%	0	0%	0	0%	•Taipei High School •Director of Kuo Chia Fu Investment Corp.	N/A	N/A	N/A	N/A	
		Rep.: Cheng-Hsin Kuo	Male 11-40				395,709	0.57%	395,709	0.57%	0	0%	0	0%	•Bachelor of International relations, University of South Carolina •Special assistant to GM of Kuo Chia Fu Investment Corp.	Special assistant to GM of Kuo Chia Fu Investment Corp. Manager of Mei Erh Ku Construction Corp.	Director	Chih-Chun Kuo	Father and Son	
Director	R.O.C	Hsin Chang Construction Corp.	-	06/17/2022	3	06/17/2010	1,552,344	2.25%	1,552,344	2.25%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Chih-Chun Kuo	Male 61-70				1,709,481	2.48%	1,709,481	2.48%	365,017	0.53%	0	0%	•Master Degree in EMBA, National Taiwan University •Chairman of Kuo Chia Fu Investment Corp.	Note 3	Chairman Director Director	Chien-Wen Kuo Te-Ti Han Cheng-Hsin Kuo	Father and Son Sister-in-law Father and Son	
Director	R.O.C	Lin Li Construction Corp.	-	06/17/2022	3	06/17/2010	1,808,271	2.62%	1,808,271	2.62%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Te-Ti Han	Female 51-60				365,017	0.53%	365,017	0.53%	1,709,481	2.48%	0	0%	•Bachelor Degree in Spanish Language and Culture, Fu Jen Catholic University •Director of Lin Li Construction Corp.	Note 4	Chairman Director	Chien-Wen Kuo Chih-Chun Kuo	Spouse Sister-in-law	
Director	US	Johanson Technology Inc.	-	06/17/2022	3	06/28/2001	2,881,810	4.18%	2,881,810	4.18%	0	0%	0	0%	None	None	None	None	None	
		Rep.: John Darko Petrinc	Male 61-70				88,200	0.13%	60,200	0.09%	0	0%	0	0%	•Bachelor Degree in Ceramic engineering, Alfred University •President of Johanson Technology Inc.	President of Johanson Technology Inc.	None	None	None	

Note 1: Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp., President of Advanced Ceramic X Corporation

Note 2: The Company has simple organizations, chairman acts as the general manager can increasing efficiency, and general manager without salary. Mr. Chien-Wen Kuo has a wealth of experience in electronics business, and company's stable profit and TOP 20% of Corporation Governance Evaluation during his tenure. The Company needs his insights to guide ACX's future direction. The board of directors has increase the number of independent directors and planning succession plan to enhance corporate governance.

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	US	Scientific Components Corp.	-	06/17/2022	3	04/19/2006	3,068,477	4.45%	3,068,477	4.45%	0	0%	0	0%	None	None	None	None	None	Note 5
		Rep.: Kelvin Kiew	Male 71-80				0	0%	0	0%	0	0%	0	0%	<ul style="list-style-type: none"> <li>•Honorary Ph.D., Toyohashi University of Technology</li> <li>•Master Degree in Engineering, University of California</li> <li>•Director of Scientific Components Corp.</li> </ul>	Note 5	None	None	None	
		Rep.: Theodore C. Heil	Male 61-70				0	0%	0	0%	0	0%	0	0%	<ul style="list-style-type: none"> <li>•Bachelor of Science in Electrical Engineering, Villanova University</li> <li>•President of Scientific Components Corp.</li> </ul>	President of Scientific Components Corp.	None	None	None	
Independent Director	R.O.C	Shiuh-Kao Chiang	Male 61-70	06/17/2022	3	05/09/2007	0	0%	0	0%	0	0%	0	0%	<ul style="list-style-type: none"> <li>•Ph. D. in Ceramic Engineering, Ohio State University</li> <li>•EMBA in Cleveland State University</li> <li>•Director of Gould Electronics</li> </ul>	Managing partner of Prismark Partners LLC	None	None	None	
Independent Director	R.O.C	Shang-Ming Chin	Male 61-70	06/17/2022	3	06/25/2013	0	0%	0	0%	0	0%	0	0%	<ul style="list-style-type: none"> <li>•Master Degree in EMBA, American Graduate School</li> <li>•Vice President of IBM</li> </ul>	None	None	None	None	
Independent Director	R.O.C	Chiu-Feng Lien	Male 61-70	06/17/2022	3	06/17/2022	2,0000	0.03%	2,0000	0.03%	0	0%	0	0%	<ul style="list-style-type: none"> <li>• Master Degree in Electronics Engineering, National Chiao Tung University</li> <li>•Director of Explore Semiconductor Inc.</li> </ul>	Director of Explore Semiconductor Inc. Supervisor of Explore Microelectronics Inc.	None	None	None	
Independent Director	R.O.C	Yu-Hui Ning	Female 51-60	06/17/2022	3	06/17/2022	0	0%	0	0%	0	0%	0	0%	<ul style="list-style-type: none"> <li>• Master Degree in Accounting, University of California</li> <li>• Vice President of Advantech semiconductor Inc.</li> </ul>	Chairman of Tsun Yu Ltd.	None	None	None	

Note 3: Chairman of Kuo Chia Fu Investment Corp., Chairman of Lien Fu Investment Corp., Chairman of Hsin Chang Construction Corp., Chairman of Chien Fu Investment Co., Ltd, Chairman of Mei Erh Ku Construction Corp., Chairman of Build Fun Co., Ltd, Director of Lin Li Construction Corp., Director of Ting Fu Investment Corp., Chairman of Universal Asia Technology Company, Director of Formosan Union Chemical Corp., Director of Fortune General Merchandise Corp.

Note 4: Director of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Director of Ting Fu Investment Corp., Director of Lien Fu Investment Corp., Supervisor of Kuo Chia Fu Investment Corp., Supervisor of Hsin Chang Construction Corp., Supervisor of Mei Erh Ku Construction Corp.

Note 5: Scientific Components Corp. has appointed a new legal representative on April 18, 2023. Kuo Chia Fu Investment Corp. has appointed a new legal representative on August 17, 2023.

B. Major shareholders of the institutional shareholders

As of 03/31/2024

Name of Institutional Shareholders	Major Shareholders
Shuang De Investment Corp.	Ching-Yu Chien (98%), Fang-Ling Kuo (1%), Ming-Shan Li (1%)
Kuo Chia Fu Investment Corp.	Chien-Wen Kuo (8.80%), Chih-Chun Kuo (8.69%), Lin Li Construction Corp. (8.12%), Te-Ti Han (6.91%), Hui-Chu Tsai (5.95%), Lien Fu Investment Corp. (5.32%), Hsin Chang Construction Corp. (5.17%), Ting Fu Investment Corp. (4.69%), Lung Kai Investment Corp. (1.46%), Tun-Pei Kuo (1.36%)
Johanson Technology Inc.	Johanson Family (100%)
Scientific Components Corp.	Harvey Kaylie Family Trust (79%), GK-Yacoby(15.8%)
Hsin Chang Construction Corp.	Ting Fu Investment Corp. (19.48%), Cheng-Hsin Kuo (12.65%), Cheng-Lin Kuo (12.65%), Chun Kuo(12.65%), Li Kuo (12.65%), Chih-Chun Kuo (9.45%), Chien-Wen Kuo (9.20%), Te-Ti Han (5.76%), Hui-Chu Tsai (5.51%)
Lin Li Construction Corp.	Lien Fu Investment Corp. (14.95%), Cheng-Hsin Kuo (14.12%), Cheng-Lin Kuo(14.12%), Chun Kuo (14.12%), Li Kuo(14.12%), Chih-Chun Kuo (7.90%), Chien-Wen Kuo (7.90%), Te-Ti Han (6.39%), Hui-Chu Tsai (6.38%)

C. Major shareholders of the Company's major institutional shareholders

As of 03/31/2024

Name of Institutional Shareholders	Major Shareholders
Ting Fu Investment Corp.	Lin Li Construction Corp. (30.80%), Chih-Chun Kuo (14.25%), Chien-Wen Kuo (14.20%), Te-Ti Han (11.22%), Hui-Chu Tsai (11.17%), Cheng-Hsin Kuo (4.59%), Cheng-Lin Kuo (4.59%), Chun Kuo (4.59%), Li Kuo (4.59%)
Lien Fu Investment Corp.	Hsin Chang Construction Corp. (33.58%), Chien-Wen Kuo (16.46%), Chih-Chun Kuo (16.33%), Te-Ti Han (15.98%), Hui-Chu Tsai (15.33%), Cheng-Hsin Kuo (0.77%), Cheng-Lin Kuo (0.77%), Chun Kuo (0.39%), Li Kuo (0.39%)
Lung Kai Investment Corp	Yu-Hsiung Hsieh (27.58%), Chung-Wei Hsieh (20%), Chung-Chiang Hsieh (20%), An-Tzu Hsieh Chen (12.42%), Chung-Chi Hsieh (5%), Po-Chang Hsieh (5%), Po-Hung Hsieh (5%), Po-Chieh Hsieh (5%)

### 3.2.2 Directors and Supervisors

#### A. Professional qualifications and independence analysis of directors and supervisors

As of 12/31/2023

Criteria Name	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shuang De Investment Corp. Rep.: Chien-Wen Kuo	Chien-Wen Kuo has extensive experience in business management, corporate governance and corporate social responsibility. He is also as Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp., President of Advanced Ceramic X Corporation.  Mr. Kuo holds a bachelor degree in department of civil engineering from Chung Yuan Christian University.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	Cheng-Hsin Kuo specializes in international affairs, business management and corporate governance. He currently serves as the special assistant to the general manager of Kuo Chia Fu Investment Corp. and the manager of Mei Erh Ku Construction Corp.  Mr. Kuo holds a bachelor's degree in international relations from the University of South Carolina.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	Chih-Chun Kuo has extensive experience in business management and corporate governance. He is also as Chairman of Kuo Chia Fu Investment Corp., Chairman of Lien Fu Investment Corp., Chairman of Hsin Chang Construction Corp., Chairman of Chien Fu Investment Co., Ltd, Chairman of Mei Erh Ku Construction Corp., Chairman of Build Fun Co., Ltd, Director of Lin Li Construction Corp., Director of Ting Fu Investment Corp., Chairman of Universal Asia Technology Company, Director of Formosan Union Chemical Corp., Director of Fortune General Merchandise Corp.  Mr. Kuo holds a master degree in EMBA from National Taiwan University.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Lin Li Construction Corp. Rep.: Te-Ti Han	Te-Ti Han has extensive experience in business management and corporate governance. She is also as Director of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Director of Ting Fu Investment Corp., Director of Lien Fu Investment Corp., Supervisor of Kuo Chia Fu Investment Corp., Supervisor of Hsin Chang Construction Corp., Supervisor of Mei Erh Ku Construction Corp.  Ms. Han holds a bachelor degree in Spanish Language and Culture from Fu Jen Catholic University.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Johanson Technology Inc. Rep.: John Darko Petrincec	John has extensive experience in material science, business management, and corporate governance. He is also as GM of JTI (1990-present) and CEO of JDI (2010-present). He served vice president of Capax Technologies from 1987 to 1990.  John holds a bachelor degree in ceramic engineering from Alfred University.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0

Scientific Components Corp. Rep.: Theodore C. Heil	Ted has extensive experience in business management and corporate governance. He is currently the GM of Scientific Components Corp. Ted has served as Vice President of Volex Inc., senior management positions at Powerwave Technologies, and management positions at American Technical Ceramics, MITEQ, and M/A-Com. Ted holds a bachelor's degree from Villanova University in the United States.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Shiuh-Kao Chiang	Shiuh-Kao Chiang served as managing partner of Prismark Partners LLC from 1998. He has extensive materials science, business management, international markets and corporate governance experience. Prior to that, he served technical director of Gould Electronics.  Mr. Chiang holds an EMBA in Cleveland State University and a Ph. D. in ceramic engineering from Ohio State University.  Shiuh-Kao Chiang is chairman of the Audit Committee, Compensation Committee and Nominating Committee.	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. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 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 of one percent or more of the total number of issued 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 a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.	0
Shang-Ming Chin	Shang-Ming Chin served at a variety of executive management positions in IBM for nearly 25 years, he has extensive business management, corporate governance, marketing strategy and information security experience.  Mr. Chin holds a master degree in EMBA from American Graduate School.  Shang-Ming Chin is member of the Audit Committee, Compensation Committee and Nominating Committee.	5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 6. If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.	0
Chiu-Feng Lien	Chiu-Feng Lien has extensive experience in business management, corporate governance, marketing strategy and human resources. He served as Director of ACX (2013-2020) and served at a variety of executive management positions in Explore Semiconductor Inc. for over 18 years. He is also as CEO & Director of Explore Semiconductor Inc. and Supervisor of Explore Microelectronics Inc.  Mr. Lien holds a master degree in electronics engineering from National Chiao Tung University  Chiu-Feng Lien is member of the Audit Committee, Compensation Committee and Nominating Committee.	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. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial,	0

Yu-Hui Ning	<p>Yu-Hui Ning has extensive business management, financial, accounting and internal audit expertise. She is also as Chairman of Tsun Yu Ltd. She served vice president of Advantech semiconductor Inc. (1998 -2005) and financial director of ACX (2006 -2018).</p> <p>Ms. Ning holds a master degree in accounting from University of California, CPA(USA) and CIA certificate (Taiwan).</p> <p>Yu-Hui Ning is member of the Audit Committee, Compensation Committee and Nominating Committee.</p>	<p>legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>10. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.</p> <p>11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.</p>	0
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Note1: All directors do not meet the conditions stipulated in Article 30 of the Company Law.

## B. Diversity and independence of Board of Directors

### a. Diversity of Board of Directors

#### (1) Policy

Members of the Board are diversified, with different nationalities, genders, skills and professional backgrounds, to form a well-balanced structure.

#### (2) Target

The Board of Directors shall have least four independent directors, least one director from another country, and least one female director. All members of the board shall have the knowledge, skills, and experience necessary to perform their duties.

#### (3) State of implementation:

The board of directors comprises of ten members, including four independent directors (40%), two foreign directors (20%) and two female director (20%); The age distribution of directors includes one directors aged 31-40 (10%), three directors aged 51-60 (30%) and six directors aged 61-70 (60%). All members of the board shall have the knowledge, skills, and experience necessary to perform their duties.

### b. Independence of Board of Directors

- More than half of the directors do not spousal relationship or familial relationship within the second degree of kinship.
- More than half of the director seats are filled by members of outside companies.
- Independent directors account for 40% of the board.
- All independent directors meet the restriction of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies for other mandates, each independent director concurrently does not serve as an independent director for more than 3 listed companies.

### 3.2.2 Management Team

As of 04/16/2024

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C	Chien-Wen Kuo	Male	12/13/2013	1,709,481	2.48%	365,017	0.53%	0	0%	•Bachelor Degree in Department of Civil Engineering, Chung Yuan Christian University •Chairman of Ting Fu Investment Corp.	Note 1	None	None	None	Note 2
Vice President	R.O.C	Chih-Wen Shen	Male	10/23/2013	0	0%	0	0%	0	0%	•Ph. D. in Electrical Communication Engineering, National Chiao Tung University •Vice President of Scientific Technics Co., Ltd.	None	None	None	None	
Director	R.O.C	Cheng-Chi Lin	Female	08/01/1998	16,596	0.02%	0	0%	0	0%	•Master Degree in Applied Chemistry, National Chiao Tung University •Material Research Fellow of Industrial Technology Research Institute	None	None	None	None	
Director	R.O.C	Chun-Hung Liu	Male	08/03/2010	7,500	0.01%	300	0%	0	0%	•Master Degree in Materials Science and Engineering, National Tsing Hua University	None	None	None	None	
Director	R.O.C	Ching-Yao Peng	Male	10/18/2021	0	0%	0	0%	0	0%	•Master Degree in Accounting, Chung Yuan Christian University •Senior Manager of Alpha Networks Inc.	None	None	None	None	Note 3
Accounting officer	R.O.C	Hsien-Liang Chou	Male	11/29/2023	0	0%	0	0%	0	0%	•Bachelor Degree, China University of Technology •Internal Audit Officer of Advanced Ceramic X Corp.	None	None	None	None	

Note 1: Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp.

Note 2: The Company has simple organizations, chairman acts as the general manager can increasing efficiency, and general manager without salary. Mr. Chien-Wen Kuo has a wealth of experience in electronics business, and company's stable profit and TOP 20% of Corporation Governance Evaluation during his tenure. The Company needs his insights to guide ACX's future direction. The board of directors has increase the number of independent directors and planning succession plan to enhance corporate governance.

Note 3: Director, Ching-Yao Peng, officially withdrew from her position on November 30, 2023.



### 3.2.3 Remuneration of Directors, Supervisors, President, and Vice Presidents

#### A. Remuneration of Directors

As of 12/31/2023; Unit: NT\$ thousands; Shares in thousands

Title	Name	Remuneration								Total Remuneration and Ratio of Total Remuneration (A+B+C+D) to Net Income (%) Note 2		Relevant Remuneration Received by Directors Who are Also Employees								Total Remuneration and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C) Note 1		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company		Companies in the Financial Reports		The Company	Companies in the Financial Reports	
																Cash	Stock	Cash	Stock			
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	0	0	0	0	572	572	24	24	596 0.21%	596 0.21%	0	0	0	0	0	0	0	0	596 0.21%	596 0.21%	None
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	0	0	0	0	572	572	18	18	590 0.21%	590 0.21%	0	0	0	0	0	0	0	0	590 0.21%	590 0.21%	None
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	0	0	0	0	572	572	24	24	596 0.21%	596 0.21%	0	0	0	0	0	0	0	0	596 0.21%	596 0.21%	None
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	0	0	0	0	572	572	12	12	584 0.21%	584 0.21%	0	0	0	0	0	0	0	0	584 0.21%	584 0.21%	None
Director	Johanson Technology Inc. Rep.: John Darko Petrinc	0	0	0	0	572	572	6	6	578 0.20%	578 0.20%	0	0	0	0	0	0	0	0	578 0.20%	578 0.20%	None
Director	Scientific Components Corp. Rep.: Theodore C. Heil	0	0	0	0	572	572	6	6	578 0.20%	578 0.20%	0	0	0	0	0	0	0	0	578 0.20%	578 0.20%	None
Independent Director	Shiuh-Kao Chiang	0	0	0	0	572	572	18	18	590 0.21%	590 0.21%	0	0	0	0	0	0	0	0	590 0.21%	590 0.21%	None
Independent Director	Shang-Ming Chin	0	0	0	0	572	572	24	24	596 0.21%	596 0.21%	0	0	0	0	0	0	0	0	596 0.21%	596 0.21%	None
Independent Director	Chiu-Feng Lien	0	0	0	0	572	572	24	24	596 0.21%	596 0.21%	0	0	0	0	0	0	0	0	596 0.21%	596 0.21%	None
Independent Director	Yu-Hui Ning	0	0	0	0	572	572	30	30	602 0.21%	602 0.21%	0	0	0	0	0	0	0	0	602 0.21%	602 0.21%	None

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: please refer to page 15 of this annual report.

2. Other than disclosure in the above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee) to ACX and all consolidated entities in the 2023 financial statements: None.

Note 1: The employees' compensation and Directors' compensation for year 2023 were NT\$19,066 thousand and NT\$5,720 thousand, respectively, which were passed by the Board of Directors' meeting on February 27, 2024.

Qualifications for remuneration payment of directors must be in office before the general shareholders meeting; When a director is not eligible for payment, his remuneration will be distributed equally to serving directors.

Note 2: The net income for year 2023 was NT\$282,439 thousand.

B. Compensation of Supervisors: N/A

C. Compensation Paid to President and Vice Presidents

As of 12/31/2023; Unit: NT\$ thousands; Shares in thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D) Note 1				Total Compensation and Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Compensation Paid to the President and Vice Presidents from an Invested Company Other than the Company's Subsidiary	
		The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company		Companies in the Financial Reports		The Company	Companies in the Financial Reports		
								Cash	Stock	Cash	Stock				
President	Chien-Wen Kuo	2,072	2,072	108	108	550	550	1,574	0	1,574	0	4,304	1.52%	4,304	1.52%
Vice President	Chih-Wen Shen														

Note 1: The employees' compensation for year 2023 was NT\$19,066 thousand which was passed by the Board of Directors' meeting on February 27, 2024. Employee compensation percentage used last year is adopted.

Note 2: The net income for year 2023 was NT\$282,439 thousand.

Range of Compensation	Name of President and Vice Presidents	
	The Company	Companies in the Financial Reports
Under NT\$ 1,000,000	Chien-Wen Kuo	Chien-Wen Kuo
NT\$1,000,001 ~ NT\$2,000,000		
NT\$2,000,001 ~ NT\$3,500,000		
NT\$3,500,001 ~ NT\$5,000,000	Chih-Wen Shen	Chih-Wen Shen
NT\$5,000,001 ~ NT\$10,000,000		
NT\$10,000,001 ~ NT\$15,000,000		
NT\$15,000,001 ~ NT\$30,000,000		
NT\$30,000,001 ~ NT\$50,000,000		
NT\$50,000,001 ~ NT\$100,000,000		
Over NT\$100,000,000		
Total	2	2

D. Employee Compensation Paid to Management Team

As of 12/31/2023; Unit: NT\$ thousands

Title		Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	President	Chien-Wen Kuo	0	2,440	2,440	0.86%
	Vice President	Chih-Wen Shen				
	Director	Cheng-Chi Lin				
	Director	Chun-Hung Liu				
	Director	Ching-Yao Peng (Note 3)				
	Accounting Officer	Hsien-Liang Chou				

Note 1: The employees' compensation for year 2023 was NT\$19,066 thousand which was passed by the Board of Directors' meeting on February 27, 2024. Employee compensation percentage used last year has been adopted.

Note 2: The net income for year 2023 was NT\$282,439 thousand.

Note 3: Director, Ching-Yao Peng, officially withdrew from her position on November 30, 2023.

### 3.2.4 Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents

Year Items	2022		2023	
	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports
Director	2.10%	2.10%	2.09%	2.09%
Supervisor	N/A	N/A	N/A	N/A
President and Vice President	1.60%	1.60%	1.52%	1.52%
Total	3.70%	3.70%	3.61%	3.61%

Remuneration for directors is made according to the Company's Articles of Incorporation. According to the Article, if there is any net profit after closing of a fiscal year, no more than 1.5% of the same shall be allocated as directors' compensation. The rational of directors' remuneration policy takes into account the Procedures for Board Performance Evaluation, overall business performance of the Company, operation requirement and development of the industry in the future, individual director contribution to the Company's operations and remuneration standard of the industry. The reasonable directors' compensation is proposed by the Compensation Committee and approved by the Board of Directors. Compensation to management and employee is according to the Company's Articles of Incorporation, employer salary and performance assessment rules. The compensation is measured based on the department and individual performance evaluation (such as number of environmental pollution cases, professional ethics and compliance with regulations, number of occupational accidents, corporate governance assessment results, etc.), contribution made to the business operation, and remuneration standard of the industry. Thus, we do not expect any significant risk of uncertainty arising from the compensation policy in the future.

## 3.3 Implementation of Corporate Governance

### 3.3.1 Board of Directors

A total of 4 (A) meetings of Board of Directors were held in 2023. Director attendance was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	3	1	75	
Director	Kuo Chia Fu Investment Corp. Rep.: Yung-Fu Kuo	2	1	75	
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	1	0		08/17/2023 Re-appointment
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	4	0	100	
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	4	0	100	
Director	Johanson Technology Inc. Rep.: John Darko Petrinc	4	0	100	
Director	Scientific Components Corp. Rep.: Kelvin Kiew	0	0	75	
Director	Scientific Components Corp. Rep.: Theodore C. Heil	3	0		04/18/2023 Re-appointment
Independent director	Shiuh-Kao Chiang	4	0	100	
Independent director	Shang-Ming Chin	4	0	100	
Independent director	Chiu-Feng Lien	4	0	100	
Independent director	Yu-Hui Ning	4	0	100	

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Board of Directors Meeting Date	Resolutions	Independent Director' Opinions and the Company's Response
02/21/2023 The 4th meeting of the 9th session	<ul style="list-style-type: none"> <li>• Approval of the 2022 statement of the internal control system.</li> <li>• Approval of the business report and financial statements for the year of 2022.</li> <li>• Evaluation of independence and qualification of the CPA to be engaged by the Company.</li> <li>• Amendment to the Company's internal control system.</li> </ul>	No independent director had a dissenting opinion or qualified opinion to the proposal and all attending directors agree to pass the proposal.
11/07/2023 The 7th meeting of the 9th session	<ul style="list-style-type: none"> <li>• Propose to authorize the Chairman to determine all related matters for the follow-up projects of the new factory.</li> </ul>	

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the Board of Directors: None.

2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

3. Implementation of self-evaluations by the Company's Board of Directors:

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Items
Once a year	2023	Performance of the Board of Directors, board members and functional committee	Internal evaluation of the board, self-evaluation by individual board members, internal evaluation of the functional committee	<p>The Board's performance evaluation by self-assessment:</p> <ol style="list-style-type: none"> <li>1. Participation in the operation of the Company.</li> <li>2. Improvement of the quality of the Board of Directors' decision making.</li> <li>3. Composition and structure of the Board of Directors.</li> <li>4. Election and continuing education of the directors.</li> <li>5. Internal controls.</li> </ol> <p>Self-assessment of Board members:</p> <ol style="list-style-type: none"> <li>1. Their grasp of the Company's goals and missions.</li> <li>2. Their recognition of director's duties.</li> <li>3. Their degree of participation in the Company's operations.</li> <li>4. Their management of internal relationships and communications.</li> <li>5. Their professionalism and continuing professional education.</li> <li>6. Internal controls.</li> </ol> <p>The functional committee's performance evaluation by self-assessment:</p> <ol style="list-style-type: none"> <li>1. Participation in the operation of the Company.</li> <li>2. Awareness of the duties of the functional committee.</li> <li>3. Improvement of quality of decisions made by the functional committee.</li> <li>4. Makeup of the functional committee and election of its members.</li> <li>5. Internal controls.</li> </ol>

Board performance evaluation in 2023, the Board's and functional committee's performance were graded as excellent. Detailed information regarding the above evaluation was reported to the Board at the Board Meeting of February 27, 2024.

4. Measures taken to strengthen the functionality of the board: The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.

(1) After the election held in the AGM on June 17, 2022, four independent directors has organized the Audit Committee to supervise the following matters: (a) fair presentation of the financial reports of the Company, (b) the hiring (and dismissal) and independence of certificated public accountants of the Company, (c) the effective implementation of the internal control system of the Company, (d) compliance with relevant laws and regulations by the Company, and (e) Control of the existing or potential risks of the Company.

- (2) The Board had approved “Ethical Corporate Management Best Practice Principles”, “Codes of Ethical Conduct”, “Corporate Governance Best Practice Principles”, “Sustainable Development Best Practice Principles” and “Risk Management Best Practice Principles” in order to strengthen the functionality of the Board and enhance information transparency.

### 3.3.2 Audit Committee

- A. The Company’s Audit Committee was established on June 25, 2013.
- B. The Audit Committee assists the Board in fulfilling its oversight of the finance reporting and internal control system of the Company. The discussion items in 2023 are as follows:
1. The adoption or amendments of an internal control system.
  2. Assessment of the effectiveness of the internal control system.
  3. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
  4. The appointment of a financial and accounting officer.
  5. Annual financial reports and quarter financial reports.
  6. The adoption of internal audit plan.
- C. A total of 4 (A) meetings of the Audit Committee meetings were held in 2023. Independent director attendance was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent director	Shiuh-Kao Chiang	4	0	100	
Independent director	Shang-Ming Chin	4	0	100	
Independent director	Chiu-Feng Lien	4	0	100	
Independent director	Yu-Hui Ning	4	0	100	

Other mentionable items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion should be specified:  
(1) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Audit Committee Meeting Date	Resolutions	Items Prescribed by Article 14-5 of the Securities and Exchange Act	Resolutions of the Audit Committee and the Company’s Response
02/21/2023 The 3rd meeting of the 4th session	<ul style="list-style-type: none"> <li>Reviewed the 2022 fourth quarter internal auditor report.</li> <li>Evaluation of independence and qualification of the CPA to be engaged by the Company.</li> <li>Approval of the 2022 statement of the internal control system.</li> <li>Approval of the business report and financial statements for the year of 2022.</li> <li>Recommendation of the distribution of earnings for the year of 2022.</li> <li>Approval of the budget plan of the Company for the year of 2023.</li> <li>Amendment to the Company’s internal control system.</li> </ul>	<p>V</p> <p>V</p> <p>V</p> <p>V</p>	No Audit Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.
05/02/2023 The 4th meeting of the 4th session	<ul style="list-style-type: none"> <li>Reviewed the 2023 first quarter internal auditor report.</li> <li>Report of the financial statement for the first quarter of 2023.</li> </ul>		
08/01/2023 The 5th meeting of the 4th session	<ul style="list-style-type: none"> <li>Reviewed the 2023 second quarter internal auditor report.</li> <li>Report of the financial statement for the second quarter of 2023.</li> </ul>		

11/07/2023 The 6th meeting of the 4th session	<ul style="list-style-type: none"> <li>· Reviewed the 2023 third quarter internal auditor report.</li> <li>· Report of the financial statement for the third quarter of 2023.</li> <li>· Propose to authorize the Chairman to determine all related matters for the follow-up projects of the new factory.</li> <li>· Approval of auditing plan for 2024.</li> </ul>	V	
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(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

3. Communications between the independent directors, the internal auditors and independent auditors (e.g. the material items, methods and results of audits of corporate finance or operations, etc.)

(1) Communications between the independent directors and the internal auditors:

Date	Communication	Independent Directors' Opinion
02/21/2023 Audit Committee	<ul style="list-style-type: none"> <li>· Reviewed the 2022 fourth quarter internal auditor report.</li> <li>· Approved of the effective implementation of the internal control system.</li> </ul>	None
05/02/2023 Audit Committee	<ul style="list-style-type: none"> <li>· Reviewed the 2023 first quarter internal auditor report.</li> </ul>	None
08/01/2023 Audit Committee	<ul style="list-style-type: none"> <li>· Reviewed the 2023 second quarter internal auditor report.</li> </ul>	None
11/07/2023 Audit Committee	<ul style="list-style-type: none"> <li>· Reviewed the 2023 third quarter internal auditor report.</li> <li>· Approval of auditing plan for 2024.</li> </ul>	None

The internal auditor communicates with independent directors through monthly audit report, reporting audit execution status in Audit Committee meeting at least one time each quarter, and report to independent directors any time when there are special circumstances. The communications between the independent directors and the internal auditors work well.

(2) Communications between the independent directors and the independent auditors:

Date	Communications	Independent Directors' Opinion
02/21/2023 Audit Committee	<ul style="list-style-type: none"> <li>· Reviewed auditing scope, the independent auditors' responsibility and independence, major accounting estimates and audit result for 2022.</li> <li>· Review regulatory developments.</li> </ul>	None

The independent auditors communicated with Audit Committee, including results of the audited or reviewed quarterly financial report, the significant audit findings, the determination that key audit matters should be communicated in the auditors' report, impact on the Company of regulatory changes. The independent auditors report to independent directors from time to time when there are special circumstances. The communications between the independent directors and the independent auditors work well.

### 3.3.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and approved of Board of Directors on 08/19/2009. The information has been disclosed on the MOPS website and Company’s website.	None
2. Shareholding structure & shareholders’ rights				None
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company established internal procedures and assigned designated departments to handle shareholder suggestions, doubts, disputes and litigations.	
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		The Company tracks the shareholdings of directors, officers and shareholders’ holding more than 10% of the Company’s outstanding shares.	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		The Company has established internal control system and Procedures to Supervision and Management of Subsidiaries to establish and execute the risk management and firewall system within its conglomerate structure.	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		<p>The Company established “Codes of Ethical Conduct”, “Employees for Code of Ethical Conduct” and “Standards of Behavior Regarding Insider Trading”, strictly prohibiting staffs and managers from insider trading with material nonpublic information. Violators are subject to punishment, investigation, and legal liability.</p> <p>The Company carries out regular training and propaganda of ethical for its directors and employee every year. For new employees, training on personnel rules, management systems, business ethics, prevention of insider trading, and all other CSR-related subjects are carried out on their first day of work.</p> <p>The Company's implementations of prevention of insider trading in 2023</p> <ol style="list-style-type: none"> <li>1. New employees sign the “Code of Ethic Commitment” on their first day of work.</li> <li>2. Participants of prevention of insider trading training total 34 personnel.</li> <li>3. Notify directors and managers that trading in stocks is prohibited 30 days before the announcement of the financial report.</li> <li>4. The Company has not any matters about discipline of insider trading conduct in 2023.</li> </ol>	
3. Composition and Responsibilities of the Board of Directors				None
(1) Does the Board develop and implement a diversified policy for the composition of its members?	✓		Members of the Board are diversified, with different nationalities, genders, skills and professional backgrounds, to form a well-balanced structure. The diversity of composition of the Board of Directors, please refer to pages 10-12 of this annual report.	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		The Company has established a Compensation Committee and Audit Committee in accordance with law, and we have also voluntarily established Nominating Committee in consideration of corporate matters and development. The Audit Committee, Compensation Committee and Nominating Committee are composed of independent directors.	
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	✓		The Company has established "Procedures Governing the Performance Evaluation of Board of Directors" on 08/11/2015 and conducts it annually, and to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.	
(4) Does the company regularly evaluate the independence of CPAs?	✓		<p>The Company's Audit Committee regularly refer to the Audit Quality Indicators (AQIs) evaluates the independence and suitability of CPAs every year, and submits the evaluation results to the Board of Directors.</p> <p>standards for CPA independence and suitability:</p> <ol style="list-style-type: none"> <li>1. Whether the CPA has a direct or materially indirect financial interest in the Company.</li> <li>2. Whether the CPA or the audit team members serve as a director, manager or in a position of the Company that could significantly influence the audit work either currently or in the past two years.</li> <li>3. Whether the CPA acts as a defender of the Company or resolves conflicts with a third party on behalf of the Company.</li> <li>4. Whether the CPA has close relationship with the Company's directors, managers or persons in a position that could significantly influence the audit work.</li> <li>5. Whether the CPA has created intimidation threats with actual or perceived pressures of the Company.</li> <li>6. Whether the CPA Independence is influenced of result from the non-assurance services.</li> <li>7. AQIs are referenced to ensure that CPAs possess audit expertise, training hours and professional support superior to average industry standards. CPAs must not have any external inspection deficits and penalties. The accounting firm should also continue to integrate digital audit tools to enhance audit quality.</li> </ol>	
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the Board of Directors and the shareholders' meetings, and producing minutes of Board meetings and shareholders' meetings and shareholders' meetings and shareholders' meetings)	✓		<p>The Board of Director appointed financial director as company secretary, the corporate governance team under the president office as the department responsible for corporate governance and business integrity, to safeguard shareholder rights and strengthen the Board's functioning. Primary duties are to provide the Board directors with information needed for executing their roles, conducting and producing meeting minutes Board Meetings, Audit Committee Meetings, and Shareholder Meetings, assisting in on boarding and continuous development of directors and to assist the Board Directors with legal compliance.</p> <p>The company secretary is an officer of the Company and has been in internal officer for at over three years in a public company.</p> <p>The Company's implementations of corporate governance in</p>	



Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
meetings)?			2023: 1. Conducted matters relating to Board Meetings and Shareholder Meeting. 2. Recorded minutes of Board Meetings and Shareholder Meeting. 3. Regularly conduct performance evaluation pursuant to the rules for “Board of Directors Self-Assessment of Performance”. 4. Assisting continuous development of directors.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The Company set up telephone numbers and email addresses in the “Stakeholder Area” of the corporate website for communication with stakeholders. Designated personnel and contact information are available to handle all enquiries and respond to any key issues raised by stakeholders. Please refer to the Company’s ESG report and corporate website for issues of concern and communication channel of stakeholders.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed the professional agency “Transfer Agency Department, Taishin Securities Co., Ltd” to deal with shareholder affairs.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		The Company has set up website (www.acxc.com.tw) to disclose information regarding the Company’s financial standings, business, corporate governance and sustainable development status.	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		The Company has set up its website, and has assigned an appropriate person to handle information collection and disclosure. The Company has designated the spokesperson and deputy spokesperson in charge of making external statements. Investor conference information is disclosed on the corporate website.	
(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	✓		The Company has publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	
8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing	✓		Employee rights and employee wellness: Please refer to the “5.5 Labor Relations” section on pages 52-53 of this annual report.  Investor relations: To achieve openness and information transparency, the Company has delegated specific personnel to announce information including finance and business, on the MOPS website and corporate website on a timely basis in compliance with the related regulations.  Supplier relations and rights of stakeholders: The Company has maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the Company, respect and safeguard their legal rights and interests, and designate a	None

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
insurance for directors and supervisors)?			<p>stakeholders area on its website. When any of a stakeholder's legal rights or interests is harmed, the Company has handled the matter in a proper manner and in good faith.</p> <p>Directors' training records: Please refer to the "3.3.15 Continuing Education of Directors in 2023" section on page 34 of this annual report.</p> <p>The implementation of risk management policies and risk evaluation measures: Please refer to the "VII. Review of Financial Conditions, Financial Performance, and Risk Management" on pages 60-64 of this annual report.</p> <p>The implementation of customer relations policies: The Company normally maintains close contact with its customers, and ensures products can achieve the expected reliability and quality. Moreover, the Company also actively participates in the customers' ESG and ethical policies.</p> <p>Purchasing insurance for directors: To reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director, the Company purchaser liability insurance for Directors each year.</p>	
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures: None.				

### 3.3.4 Composition, Responsibilities and Operations of the Compensation Committee or Nominating Committee

#### A. Duties of the Compensation Committee

- a. The Company's Compensation Committee was established on November 15, 2011.
- b. The members of the Compensation Committee are appointed by the Board of Directors and the Compensation Committee shall consist of four members. The responsibilities of committee are as follows:
  1. Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors and executives.
  2. Periodically evaluate and prescribe the remuneration of directors and executives.

#### B. Professional Qualifications and Independence Analysis of Compensation Committee Members

Title	Criteria Name	Experience Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	Shiuh-Kao Chiang	Please refer to page 11 and 12 of this annual report.		0
Independent Director	Shang-Ming Chin			0
Independent director	Chiu-Feng Lien			0
Independent director	Yu-Hui Ning			0

#### C. Attendance of Members at Compensation Committee Meetings

- a. The Compensation Committee has four members.
- b. The tenure of the 4th session is from June 17, 2022 to June 16, 2025. A total of 2 (A) meetings of the Compensation Committee were held in 2023. Member attendance was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Shiuh-Kao Chiang	2	0	100	
Committee Member	Shang-Ming Chin	2	0	100	
Committee Member	Chiu-Feng Lien	2	0	100	
Committee Member	Yu-Hui Ning	2	0	100	

#### Other mentionable items:

1. If the Board of Directors declines to adopt or modifies a recommendation of the compensation committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the compensation committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the compensation committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the compensation committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

c. Major resolutions of Compensation Committee are summarized as follows:

Compensation Committee Meeting Date	Resolutions	Resolutions of the Compensation Committee and the Company's Response
02/21/2023 The 2nd meeting of the 5th session	<ul style="list-style-type: none"> <li>• Evaluation directors' compensations for the year of 2022.</li> <li>• Evaluation employees' compensations for the year of 2022.</li> <li>• Reviewing director's system and structure of the remuneration for the year of 2023.</li> <li>• Reviewing manager's system and structure of the remuneration for the year of 2023.</li> <li>• Approval of employees' and directors' compensations for the year of 2023.</li> </ul>	No Compensation Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.
11/01/2023 The 3rd meeting of the 5th session	• Approval of directors' and employees' compensations for the year of 2023.	

D. Attendance of Members at Nominating Committee Meetings:

◆ Criteria and Duties for Members of Nominating Committee

The members of the Nominating Committee are appointed by the Board of Directors and the Nominating Committee shall consist of four members. The responsibilities of committee are as follows:

1. Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of board of directors, and finding, reviewing, and nominating candidates for directors based on such standards.
2. Establishing and developing the organizational structure of the board and each committee, and evaluating the performance of the board, each committee and each director.
3. Establishing and reviewing on a regular basis programs for director continuing education.
4. Establishing and amending on corporate governance guidelines and related regulations of the Company.

◆ Professional Qualifications and Attendance of Nominating Committee Members

a. The Nominating Committee has four members.

b. The tenure of the 1st session is from June 17, 2022 to June 16, 2025. A total of 1 (A) meetings of the Nominating Committee were held in 2023. Member attendance was as follows:

Title	Name	Experience Professional Qualification and Experience	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Chairman	Shiuh-Kao Chiang	Please refer to page 11 and 12 of this annual report.	2	0	100	
Committee Member	Shang-Ming Chin		2	0	100	
Committee Member	Chiu-Feng Lien		2	0	100	
Committee Member	Yu-Hui Ning		2	0	100	

The dates of meetings, sessions, contents of motion, all committee member' opinions, resolutions of the Nominating Committee and the Company's response to the Nominating Committee's opinion should be specified as follows:

Nominating Committee Meeting Date	Resolutions	Resolutions of the Nominating Committee and the Company's Response
02/21/2023 The 2nd meeting of the 1st session	<ul style="list-style-type: none"> <li>• Reviewing Company's functional committees charter.</li> <li>• Reviewing Company's "Rules for continuing education for directors".</li> <li>• Approval of Board of Directors, functional committees and board member performance evaluation</li> <li>• Amendment to Company's "Corporate Governance Best Practice Principles".</li> </ul>	No Nominating Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.
11/07/2023 The 3rd meeting of the 1st session	• Directors' continuing education schedule in 2024	

### 3.3.5 Promotion of Sustainable Development and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
1. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		The sustainable development group was established to develop and implement policies or practices pertaining to the implementation of corporate governance, a sustainable environment, and safeguarding public interest. The group chairperson is headed by the president and comprises the following promotion teams: Corporate Governance, Employee Development, Green Products, Service of Customer, Supplier Management, Environment Protection and Social Participation. They are responsible for formulating corporate social responsibility policies, and objectives and activities for implementing corporate social responsibility-related events. The leader of each promotion team is usually the head of division, and team's members are composed of relevant business departments. The Group performs its duties based on the P-D-C-A cycle. At the first quarter of each year, the group is reviewed for its effectiveness and a written inspection report to Board of Directors.	None
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	✓		The Company assesses ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies. Corporate Social Responsibility policy 1. Do honestly manage the Company and comply with the law, respect intellectual property and be transparency. 2. Any kind of bribery, extortion, or embezzlement is prohibited to perform well at corporate governance. 3. Esteem the human rights of workers and prohibited employ underage workers with unfair welfare. 4. Meet all government environmental protection, safety, and health regulations and strive to comply with international environmental protection, safety and health standards. 5. The targets of zero accident, zero pollution, and zero occupational disease provide safety and healthy working conditions for worker. 6. Implement social responsibility with continuity conduct.	None
3. Environmental Issues (1) Does the company establish proper environmental management systems based on the characteristics of their industries? (2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment? (3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓  ✓  ✓		The Company has acquired ISO-14001 certifications and designated a person for system management as well as regular review every year. (Valid until 01/18/2026)  The Company continues utilizing all resources more efficiently such as utilize electricity, water and paper more efficiently, reducing packaging resources, water recycling, and waste management and recycling.  The Company has evaluated potential risks and opportunities brought by climate change, and take response measures to climate-related issues.	None

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	✓		<p>The Company implements GHG, Water use and Waste Inventory, and strategies to reduce greenhouse gas were established based on the Company's emission level to diminish the negative impact on the environment.</p> <p>Climate change caused increase of extreme temperature and level. The Company taken the following policies to energy conservation and carbon reduction:</p> <ol style="list-style-type: none"> <li>1. To devote to save water and energy and control pollution companywide and set reduction goals.</li> <li>2. To take corresponding improvement action plans to the goals of water saving, energy saving and pollution control.</li> <li>3. Review execution status and efficacy of action plans annual.</li> </ol>	
4. Social Issues				None
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		To protect the rights and interests of all workers, ACX strictly abides by the provisions of the Labor Standards Act and those of the requirements of international standards in all of our actions relevant to human rights. At the same time, we have consulted the code of conduct established by the Responsible Business Alliance (RBA), as the basis for our management policies into order to protect our employees.	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		The Company reviews the remuneration standard in accordance to market rates to ensure a competitive level of employee benefit measures. According to the Articles of Incorporation of the Company, if there is any profit for a specific fiscal year, the Company shall allocate no lower than 5% of profit of the current year is distributable as employees' compensation to integrate employees' compensation with its Company's operational performance and CSR. Also, by offering a platform of two-way communication though regular performance evaluations and future plan developments, we achieve individual and organization development by rewarding based on performance and encourage employees to grow with the Company.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		The Company aims to offer a safe and healthy working environment and promote a health life. The Company also regularly holds safety and health training sessions to employees. The Company has acquired ISO 45001 qualification and designated a person for system management as well as regular review every year. (Valid until 02/13/2026)	
(4) Does the company provide its employees with career development and training sessions?	✓		The Company has established the Rules of employee training, to employees offers a comprehensive career development training program.	
(5) Do 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 are relevant consumer protection and grievance procedure policies implemented?	✓		<p>The Company ensures the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company follows relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p> <p>The Company regularly meets and communicates with customers. Customer satisfaction survey is also undertaken</p>	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		<p>on an annual basis. If satisfaction data analysis shows that objective has not been met, the designated department will be responsible for carrying out improvement measures, and review will be undertaken by senior executives during management review meetings.</p> <p>The Company has secured products liability insurance to ensure customers rights.</p> <p>The Company established the Procedure of Supplier Management and the RBA Code of Conduct to require suppliers to meet local regulatory requirements in terms of labor rights, health and safety, environmental protection, ethics, and management systems.</p> <p>To ensure suppliers' and contractors' compliance with RBA Code of Conduct, the Company undertakes social environmental responsibility audit and assessment for Level 1 suppliers and labor contractors on every year.</p>	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	✓		The Company adopts Global Reporting Initiative GRI standards producing CSR report and publishes on both the official website and MOPS. Stakeholders can download the report and understand the Company's efforts on concerned CSR topics. CSR report not verified by external certification institutions.	None
6. Describe the difference, if any, between actual practice and the sustainable development principles, if the Company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: There have been no differences.				
7. Other useful information for explaining the status of sustainable development practices: The Company policy, promotion plans and performance in implementation for sustainable development, please refer ESG report.				

The Company assesses ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies, were as follows:

ESG risks		Policy	Management method
Governance	Corporate governance	Do honestly manage the Company and comply with the law, respect intellectual property and be transparency.	The company shall with regular and timely information on company financial conditions and operations, and corporate governance status through the MOPS or the website established by the company.
Governance	Anti corruption	Any kind of bribery, extortion, or embezzlement is prohibited to perform well at corporate governance.	The internal control system, organizational structure, reporting system and authority responsibilities are set by the board of directors to establish a culture of integrity management and implement corporate governance.
Environmental	Environmental compliance Emissions	Meet all government environmental protection, safety, and health regulations and strive to comply with international environmental protection, safety and health standards.	Pay attention to the revision trend of domestic and foreign laws and regulations at any time, and make preparations as soon as possible.
Social	Occupational health and safety	The targets of zero accident, zero pollution, and zero occupational disease provide safety and healthy working conditions for worker.	Comply with ISO 45001 specifications, setup occupational safety committee, safety and health performance goals and management plans.
Social	Supplier environmental and social assessment	Implement social responsibility with continuity conduct.	If the supplier seriously violates the environmental and social issues, the supplier will be asked to propose corrective and preventive measures. If the supplier fails to improve, the purchase contract will be reduced or cancelled.

## Climate Information of Listed Companies

### 1. Information on climate-related implementations

- (1) Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.

The sustainable development group was established to develop and implement policies or practices pertaining to the implementation of corporate governance, a sustainable environment, and safeguarding public interest. The group performs its duties based on the P-D-C-A cycle. At the first quarter of each year, the group is reviewed for its effectiveness and a written inspection report to Board of Directors.

- (2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).

Climate Risk Aspect	Climate Risk Event	Strategic Plans	Potential Financial Impacts
Transition Risks (Medium and long term)	Laws and policies	<ul style="list-style-type: none"> <li>• Evaluate the use of green electricity</li> <li>• Continue to pay attention to domestic and foreign regulations</li> <li>• Disclose climate information on websites and sustainability reports</li> </ul>	Increased costs
Physical Risks (Medium and long term)	<ul style="list-style-type: none"> <li>• Increased frequency of extreme weather events</li> <li>• Rises in average temperatures</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity consolidation and energy efficiency improvement</li> <li>• Optimize enterprise risk management and emergency response</li> <li>• Insure company assets</li> </ul>	<ul style="list-style-type: none"> <li>• Decreased production capacity or disruptions</li> <li>• Increased costs</li> </ul>

- (3) Describe the financial impact of extreme weather events and transformative actions.

Climate Opportunity	Climate Risk Event	Strategic Plans	Potential Financial Impacts
Transition opportunity	Laws and policies	The increasing popularity of electric vehicles and the application of wireless products will increase operating income	Increased revenues

- (4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The board is responsible for developing and monitoring company's risk management policies. Internal auditors assist the Board of Directors to monitor and review the risk management control and internal procedures regularly and report them to the Board of Directors.

- (5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described : N/A
- (6) If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks : N/A
- (7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated : N/A
- (8) If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified : N/A
- (9) Greenhouse gas inventory and assurance status : Please refer to page 30 of this annual report.



## 2. Information on greenhouse gas inventory

### (1) Greenhouse gas inventory and assurance status of the recent two years

Year	Scope	Total Emissions (ton CO <sub>2</sub> e)	Intensity (ton CO <sub>2</sub> e/ million NT\$)	Data Coverage
2023	Scope 1	54.07	0.03634	All factory
	Scope 2	13,259.07	8.91067	
	Total	13,313.14	8.94701	
2022	Scope 1	45.38	0.03098	
	Scope 2	13,686.20	9.34212	
	Total	13,731.58	9.37310	

- (2) Describe the assurance situation for the two most recent fiscal years up to the date of the annual report printing, including the scope of assurance, assurance body, assurance standards, and assurance opinions:  
None.
- (3) Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets:  
The company has set a five year long-term greenhouse gas reduction target. Taking 2022 as the base year, it is expected that each unit of revenue will reduce greenhouse gas emissions by 1% in 2027. Actual reduction of greenhouse gas emissions by 1% in 2023.

### 3.3.6 Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status		Reason for Non-implementation
	Yes	No	
1. Establishment of ethical corporate management policies and programs			None
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	✓		The Board of Directors approved Ethical Corporate Management Best-Practice Principles on March 10, 2015. Ethical Corporate Management Policy is clearly stated in the internal policy and external documents. The Board of Directors and management team are fully committed to implement such policies rigorously and thoroughly on internal management and external business dealings.
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company's Ethical Corporate Management Best-Practice Principles have established preventive measures against the following: 1. Offering and accepting bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or accepting unreasonable gifts or hospitality, or other inappropriate benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. The aforementioned related regulations were announced and disseminated to employees, managers and the Board of Directors.
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		The Company established "Ethical Corporate Management Best-Practice Principles", "Codes of Ethical Conduct" and "Employees for Code of Ethical Conduct", establish policies to prevent unethical conduct, integrity mailbox and hotline, punishment for violation and rules of appeal, and periodically review and revise.
2. Fulfill operations integrity policy			None
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		Prior any business engagement, the Company checks the counterparty's legitimacy and record of unethical conduct. All suppliers and customer are required to sign "ethical clauses", When breach the ethical rule the companies is entitled to termination of business contract.
(2) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above	✓		To strengthen ethical corporate management, the Company had its president office enact, supervise and implement the execution of Ethical Corporate Management Policy and prevention solutions. The president reports to the Board of Directors as least once a year. The Company's implementations of ethical corporate management in 2023

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
effectively and perform regular reviews and amendments??			1. New employees sign the “Code of Ethic Commitment” on their first day of work. 2. Participants of Code of Ethic training total 34 personnel. 3. The Company does not any matters about discipline of unethical conduct in 2023.	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		The Company established “Ethical Corporate Management Best-Practice Principles”, “Codes of Ethical Conduct” and “Employees for Code of Ethical Conduct”, to policies to prevent conflicts of interest and provide appropriate communication channels, and implement it.	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		The Company has built up an effective accounting system and internal control systems that is constantly under review and evaluation to ensure the system's design and execution remains effective. Internal audit personnel will regularly evaluate risks and propose audit plans and undertake audits accordingly. Special project-based audit will also be undertaken when necessary. Results of such audit are regularly reported to the Audit Committee and the Board of Directors, facilitating the management level to understand the operations of the Company's internal.	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		The Company carries out regular training and propaganda of ethical for its directors and employee every year. For new employees, training on personnel rules, management systems, business ethics, and all other CSR-related subjects are carried out on their first day of work.	
3. Operation of the integrity channel				None
(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		The Company’s Ethical Corporate Management Best-Practice Principles have established whistle-blowing system the following: 1. Either internally established and publicly announced independent mailbox and hotline, to allow company insiders and outsiders to submit reports. 2. Dedicated personnel appointed to handle whistle-blowing system and establish standard operating procedures. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 4. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. 5. Confidentiality of the identity of whistle-blowers and the content of reported cases. 6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 7. Whistle-blowing incentive measures.	
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓			
(3) Does the company provide proper whistleblower protection?	✓		The Company encourages its employees to report to a company Audit Committee and chief internal auditor, upon discovery of any activity in violation of a law or regulation. The Company provides protection to whistleblower and personnel involved in the investigation against any unfair treatment or retaliation.	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
4. Strengthening information disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	✓		The Company's Ethical Corporate Management Best-Practice Principles and the results of our implementation have been posted on the Company's website and MOPS.	None
5. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation: There have been no differences.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management policies (e.g., review and amend its policies): None.				

### 3.3.7 Corporate Governance Guidelines and Regulations

The Company has disclosed its “Corporate Governance Best Practice Principles” and related regulations on its website (www.acxc.com.tw) and the MOPS (mops.twse.com.tw).

### 3.3.8 Other Important Information Regarding Corporate Governance:

Please refer to Company’s website.

### 3.3.9 Internal Control Systems

A. Statement of Internal Control: Please refer to page 66 of this annual report.

B. A CPA Has Been Hired to Carry Out a Special Audit of the Internal Control System, Furnish the CPA Audit Report: None.

**3.3.10 If there has been any legal penalty against the Company and its internal personnel, or any disciplinary penalty by the Company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder interests or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: None.**

### 3.3.11 Major Resolutions of Shareholders Meeting and Board Meetings:

Please refer to page 67 of this annual report.

**3.3.12 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None.**

**3.3.13 Resignation or Dismissal of the Company’s Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit, Corporate Governance and R&D:**

Title	Name	Date of Appointment	Date of Termination	Reasons for Resignation or Dismissal
Accounting officer Finance officer Corporate Governance officer	Cheng-Hsin Kuo	10/18/2021	11/29/2023	Position adjustment

**3.3.14 Certification Obtained by the Company and Its Personnel Related to Financial Information Transparency from Competent Authorities:**

As of 03/31/2024

Certification Name	Number of Employees
Certified Internal Auditor (CIA)	1
Enterprise Internal Control Basic Ability Exam by the Securities and Futures Institute	1
Stock Affair Specialist Professional Competency Exam by the Securities and Futures Institute	1

### 3.3.15 Continuing Education of Directors in 2023:

Title	Name	Host	Date	Class	Duration
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	Taiwan Corporate Governance Association	02/21/2023	Taiwan M&A Regulations and Case Study	3
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	Taiwan Corporate Governance Association	11/07/2023	Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	3
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Director	Johanson Technology Inc. Rep.: John Darko Petrinc	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Director	Scientific Components Corp. Rep.: Theodore C. Heil	Chinese National Association of Industry and Commerce	06/02/2023	2023 Taishin net zero summit go towards green energy	3
		Taiwan Stock Exchange Corporation	07/04/2023	2023 Cathay sustainable finance and climate change summit	6
		Taiwan Corporate Governance Association	11/07/2023	Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	3
Independent Director	Shiuh-Kao Chiang	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Independent Director	Shang-Ming Chin	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Independent Director	Chiu-Feng Lien	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6
Independent Director	Yu-Hui Ning	Taiwan Corporate Governance Association	02/21/2023 11/07/2023	Taiwan M&A Regulations and Case Study Looking at the trend and response of corporate governance through the perspective of Sustainable Development Action Plan	6

### 3.3.16 Continuing Education of Management Team in 2023:

Title	Name	Host	Date	Class	Duration
President	Chien-Wen Kuo	Taiwan Corporate Governance Association	02/21/2023	Taiwan M&A Regulations and Case Study	3
Financial officer Accounting officer & Corporate governance officer	Ching-Yao Peng	Taiwan Corporate Governance Association	02/21/2023	Taiwan M&A Regulations and Case Study	3
		Chinese National Association of Industry and Commerce	06/02/2023	2023 Taishin net zero summit go towards green energy	3
		Taiwan Stock Exchange Corporation	07/04/2023	2023 Cathay sustainable finance and climate change summit	6
		Accounting Research and Development Foundation	09/27/2023	Corporate fraud investigation practice and case analysis	3

### 3.4 Audit Fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
KPMG	Chien-Hui Lu Mei-Yu Tseng	2023	1,720	410	2,130	Tax certification and disbursement fee

**3.4.1 Change of Accounting Firms with Audit Fee Paid in the Year of Change Being Less than the Previous Year:** None.

**3.4.2 Over 10% Decrease in Audit Fee on a Year-to-year Basis:** None.

### 3.5 Replacement of CPA:

#### 3.5.1 Regarding the Former CPA

Replacement Date	February 23, 2021		
Replacement reasons and explanations	Due to internal organizational changes in KPMG.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties		CPA
	Status	The Company	
	Termination of appointment	N/A	
No longer accepted (continued) appointment			
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the Company	Yes	-	Accounting principles or practices
		-	Disclosure of Financial Statements
		-	Audit scope or steps
		-	Others
	None	✓	
	Remarks: None		
Other Revealed Matters	None		

#### 3.5.2 Regarding the Successor CPA

Name of Accounting Firm	KPMG
Name of CPA	Chien-Hui Lu and Mei-Yu Tseng
Date of appointment	February 23, 2021
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the Company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

**3.5.3 Response by Mail from the Former CPA Regarding Items in Article 10-6-1 and 10-6-2-3:** None.

**3.6 Any of the Company's Chairman, President, or Managers in Charge of Finance or Accounting Held a Position in the CPA's Firm or Its Affiliates in 2023:** None.

### 3.7 Changes in Shareholding and Shares Pledged by Directors, Supervisors, Managers and Shareholders with 10% Shareholdings or More in 2023 and as of the Date of this Annual Report

#### 3.7.1 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

Unit: Shares

Title	Name	2023		As of April 16, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Shuang De Investment Corp.	2,000	0	0	0
Representative	Chien-Wen Kuo	0	0	0	0
Director	Kuo Chia Fu Investment Corp.	0	0	0	0
Representative	Yung-Fu Kuo (Note 1)	0	0	N/A	
Representative	Cheng-Hsin Kuo (Note 1)	0	0	0	0
Director	Hsin Chang Construction Corp.	0	0	0	0
Representative	Chih-Chun Kuo	0	0	0	0
Director	Lin Li Construction Corp.	0	0	0	0
Representative	Te-Ti Han	0	0	0	0
Director	Johanson Technology Inc.	0	0	0	0
Representative	John Darko Petrinc	(28,000)	0	0	0
Director	Scientific Components Corp.	0	0	0	0
Representative	Kelvin Kiew (Note 1)	0	0	N/A	
Representative	Theodore C. Heil (Note 1)	0	0	0	0
Independent Director	Shiuh-Kao Chiang	0	0	0	0
Independent Director	Shang-Ming Chin	0	0	0	0
Independent Director	Chiu-Feng Lien	0	0	0	0
Independent Director	Yu-Hui Ning	0	0	0	0
President	Chien-Wen Kuo	0	0	0	0
Vice President	Chih-Wen Shen	0	0	0	0
Director	Cheng-Chi Lin	0	0	0	0
Director	Chun-Hung Liu	0	0	0	0
Director	Ching-Yao Peng (Note 2)	0	0	N/A	
Accounting officer	Hsien-Liang Chou	0	0	0	0

Note 1: Scientific Components Corp. has appointed a new legal representative on April 18, 2023.

Kuo Chia Fu Investment Corp. has appointed a new legal representative on August 17, 2023.

Note 2: Director, Ching-Yao Peng, officially withdrew from her position on November 30, 2023.

#### 3.7.2 Shares Trading with Related Parties: None.

#### 3.7.3 Shares Pledge with Related Parties: None.



### 3.8 Relationship among the Top Ten Shareholders

As of 04/16/2024

Name	Current Shareholding		Spouse's/ Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Kuo Chia Fu Investment Corp.	5,485,189	7.95%	0	0%	0	0%	None	None	
Kuo Chia Fu Investment Corp. Rep.: Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chien-Wen Kuo Ming-Shan Li	Brother Brother-in-law	
Scientific Components Corp.	3,068,477	4.45%	0	0%	0	0%	None	None	
Scientific Components Corp. Rep.: Theodore C. Heil	0	0%	0	0%	0	0%	None	None	
Johanson Technology Inc.	2,881,810	4.18%	0	0%	0	0%	None	None	
Johanson Technology Inc. Rep.: John Darko Petrines	60,200	0.09%	0	0%	0	0%	None	None	
Cathay Life Insurance Company, Ltd	2,533,000	3.67%	0	0%	0	0%	None	None	
Cathay Life Insurance Company, Ltd Rep.: Ming-He Hsiung	0	0%	0	0%	0	0%	None	None	
Chin Te Hsing Yeh Limited	2,213,000	3.21%	0	0%	0	0%	None	None	
Chin Te Hsing Yeh Limited Rep.: Ming-Shan Li	262,000	0.38%	0	0%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	
Ting Fu Investment Corp.	2,189,017	3.17%	0	0%	0	0%	None	None	
Ting Fu Investment Corp. Rep.: Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Ming-Shan Li	Brother Brother-in-law	
Kuang Tai Shih Yeh Corp.	2,000,000	2.90%	0	0%	0	0%	None	None	
Kuang Tai Shih Yeh Corp. Rep.: Hsueh Lai	1,000,000	1.45%	0	0%	0	0%	None	None	
Mei Erh Ku Construction Corp.	1,937,870	2.81%	0	0%	0	0%	None	None	
Mei Erh Ku Construction Corp. Rep.: Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chien-Wen Kuo Ming-Shan Li	Brother Brother-in-law	
Lin Li Construction Corp.	1,808,271	2.62%	0	0%	0	0%	None	None	
Lin Li Construction Corp. Rep.: Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Ming-Shan Li	Brother Brother-in-law	
Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	
Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	

### 3.9 Number of Shares Held and Shareholding Percentage of the Company, the Company's Directors, Supervisors, Managers and Directly or Indirectly Controlled Entities on the Same Investee: None.