

Kwong Fong Industries Corporation

Status of Diversity and Independent of Board of Director Members

I. Disclosure of information on directors' professional qualifications and independent directors' independence

Name	Criteria	Professional qualifications and experience	Status of independence	Number of concurrent duties as an independent director at a public company
Chairperson	Leo Ho	Chairperson, Leo Ho, graduated from the University of California with a bachelor's degree in applied mathematics. He joined the Kwong Fong Group as the vice general manager in 2008 and was promoted to be the chairperson in 2021. He has participated in the business of various departments and the management of "Kwong Fong Plaza" shopping mall and is serving as an independent director of the East Tender Optoelectronics Corporation. He has the accounting and financial practical experience, strategic management and leadership skills and has the knowledge, skills and accomplishments to perform the duties and industry management experience to contribute corporate governance management expertise.	<ol style="list-style-type: none"> 1. The chairperson of the Company is not an independent director. 2. The director of an affiliated company (100% subsidiary) of the Company. 3. One of the top ten natural person shareholders of the Company. 4. The chairperson of Hemisphere Industries Corp., a juridical person shareholder holding more than 5% of the Company's issued shares. 5. The rest have been verified in accordance with the independence requirements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" by the Financial Supervisory Commission and still meet the relevant independence requirements. 	1
Director	Ho Ming-Hong	Vice Chairperson, Ho Ming-Hong, graduated from the University of Washington with a master's degree in business administration. He used to be the chairperson of the Taiwan Securities Association and the Chinese National Futures Association and the chairperson of Yuanta Futures/Securities Co., Ltd. He has practical experience, strategic management and leadership skills, with abundant knowledge, skills and industry management experience for performing the duties and also serves as director in related industry companies to contribute his corporate governance management expertise. He has practical abilities in financial accounting, business and securities and futures industry-related operating planning, operations and management.	<ol style="list-style-type: none"> 1. The vice chairperson of the Company is not an independent director. 2. The director of an affiliated company (100% subsidiary) of the Company. 3. The director is the representative of the juridical person director of the Company (Luo Sheng Tai Co., Ltd.), not an independent director. 4. The rest have been verified in accordance with the independence requirements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" by the Financial Supervisory Commission and still meet the relevant independence requirements. 	None

Name \ Criteria		Professional qualifications and experience	Status of independence	Number of concurrent duties as an independent director at a public company
Director	Lee Ming-Huei	<p>Director, Lee Ming-Huei, graduated from the Stevens Institute Of Technology with a Master's degree of Science-Management. He used to be the director of the Taiwan Securities Association, an independent director of Taisun Enterprise Co., Ltd., and the Chairman of MasterLink Securities Investment Advisory Corp. He has practical experience in the financial industry, with strategic management, and leadership skills, abundant knowledge, skills, and industry management experience for performing the duties. He has practical abilities in operating management, financial accounting, business, marketing, and industry-related operational planning, operation and management.</p>	<p>1. The director is the representative of the juridical person director of the Company (Luo Sheng Tai Co., Ltd.), not an independent director.</p> <p>2. The rest have been verified in accordance with the independence requirements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" by the Financial Supervisory Commission and still meet the relevant independence requirements.</p>	None
Director	Liu Shiang	<p>Director, Liu Shiang, graduated from Harvard University with a Bachelor's degree of Arts. He used to be the general manager of the Asian region of Tiffany & Co. International, Taiwan Branch (U.S.A.). He has practical experience, strategic management and leadership skills in the sales management industry, with abundant knowledge, skills and accomplishments to perform duties, and industry management experience. He has practical abilities in financial accounting, business, marketing and industry-related operational planning, operation and management.</p>	<p>1. The director is the representative of the juridical person director of the Company (Hann Fong Investments Co., Ltd.), not an independent director.</p> <p>2. The rest have been verified in accordance with the independence requirements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" by the Financial Supervisory Commission and still meet the relevant independence requirements.</p>	None

Name \ Criteria		Professional qualifications and experience	Status of independence	Number of concurrent duties as an independent director at a public company
Director	Chen Cheng-Te	Director, Chen Cheng-Te, graduated from New York University Stern School of Business with a master's degree in business administration. He is the vice chairperson of Sesoda Corporation and the chairperson of East Tender Optoelectronics Corporation. He has practical experience, strategic management and leadership skills in the sales management industry and has the knowledge, skills and accomplishments to perform his duties, as well as industry management experience. He has practical abilities in financial accounting, business, marketing and industry-related operational planning, operation and management.	<p>1. The director is the representative of the juridical person director of the Company (Hann Fong Investments Co., Ltd.), not an independent director.</p> <p>2. The rest have been verified in accordance with the independence requirements listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" by the Financial Supervisory Commission and still meet the relevant independence requirements.</p>	None
Independent director	Hou Ching-Chih	Independent director, Hou Ching-Chih, graduated from the University of Illinois with a master's degree in business administration. He was the director and supervisor of the Chinese National Futures Association /senior vice president of Yuanta Futures/general manager of Fubon Futures. He has the practical experience, strategic management and leadership skills in the securities and futures industry and is equipped with abundant knowledge, skills and industry management experience to perform his duties. He was also a director in related industry companies to contribute his corporate governance management expertise. He has practical abilities in financial accounting, business and securities and futures industry-related operating planning, operations and management.	<ul style="list-style-type: none"> The three independent directors listed on the left have met the qualifications in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act, during the two years before the election and during their tenure and all independent directors have been given the power to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities Exchange Act, and as the basis of performing relevant powers independently. 	None

Name \ Criteria		Professional qualifications and experience	Status of independence	Number of concurrent duties as an independent director at a public company
Independent director	Kuan Chi-Jui	Independent director, Kuan Chi-Jui, graduated from the Department of Architectural Engineering of the National United University. He used to be the chief engineering consultant of Te Chang Construction Co., Ltd. and Kang he construction Co., Ltd. He has practical experience, strategic management and leadership skills in the construction real estate management industry and has the knowledge, skills and accomplishments to perform his duties, as well as industry management experience. He has practical abilities in business, construction and industry-related operational planning, operations and management.		None
Independent director	Liu Wei-Ting	Independent director, Liu Wei-Ting, graduated from the Law Department of the National Chung Cheng University/ Graduate school of College of Management of National Taiwan University. He is the director of TaipeiLaw Attorneys-at-Law and an independent director of Cheng Mei Materials Technology Corporation. He has legal and business practice experience, strategic management and leadership skills and has the knowledge, skills and accomplishments to perform his duties, as well as industry management experience. He has practical abilities in business, legal and industry-related operational planning, operation and management.		1

Note: All Directors or Independent directors with no any of the circumstances under Article 30 of the Company Act.

II. Diversity of the Board of Directors and Independence

1. The Board of Directors Diversity Policy:

The composition of the board of directors shall be determined by taking diversity into consideration. In addition to the directors concurrently serving as company managers not exceed one-third of the total number of board members and that an appropriate policy on diversity based on the company's business operations, operating type and development needs to be formulated and includes but not limited to the following two general standards:

- (1) Basic requirements and values: gender, age, nationality and culture; it is advisable that the number of female directors accounts for at least one-third of all the directors.
- (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, construction), professional skills and industry experience. All members of the board shall have the knowledge, skills and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:
 - i. Ability to make operational judgments.
 - ii. Ability to perform accounting and financial analysis.
 - iii. Ability to conduct management administration.
 - iv. Ability to conduct crisis management.
 - v. Knowledge of the industry.
 - vi. An international market perspective.
 - vii. Ability to lead.
 - viii. Ability to make decisions.

2. The specific management goals and achievements of the diversity policy are as follows:

Management goals	Achievements
Independent directors account for at least one-third of all the directors.	Achieving
The directors concurrently serving as company managers do not exceed one-third of the total number of the board members.	Achieving
The term of office of independent directors does not exceed 3 terms.	Achieving
Sufficient and diverse professional knowledge and skills.	Achieving

3. Implementation:

The 18th Board of Directors has 8 members, including three independent directors accounted for 37.5%, directors with business management expertise accounted for 87.5% and directors who also serve as company managers accounted for 25%. The members of the board of directors have professional backgrounds in law, industry, accounting, marketing and finance and with operating management and leadership decision-making, operating judgment and crisis management, accounting and financial analysis capabilities, industry knowledge and international market view and other professional capabilities in different professional backgrounds, showing diversity and complementary effects. The nationalities of the 6 members of the board of directors are from the Republic of China, 2 are of foreign nationalities and the age is in the range of 41-71 years old.

4. The implementation of the relevant diversity policy is as follows.

Diversified corety Name of Director	Basic composition								Core item of diversity								
	Nationality	Gender	An employee of the Company	Age				Seniority of being an independent director	Finance and futures and securities	Real estate investment and development and construction	Professional service and marketing	Law	Management administration	Leadership and decision making	Crisis management	International market perspective	Risk management
				aged 41-50	aged 51-60	aged 61-70	aged 71-80										
Leo Ho	Canada	Male	V	V					V		V		V	V	V	V	V
Ho Ming-Hong	ROC	Male	V			V			V				V	V	V	V	V
Lee Ming-Huei	ROC	Male				V			V				V	V	V	V	V
Liu Shiang	ROC	Male					V				V		V	V	V	V	V
Chen Cheng-Te	United States	Male		V					V		V		V	V	V	V	V
Independent director Hou Ching-Chih	ROC	Male				V		V	V				V	V	V	V	V
Independent director Kuan Chi-Jui	ROC	Male				V		V		V			V	V	V	V	V
Independent director Liu Wei-Ting	ROC	Male		V				V	V			V	V	V	V	V	V