

Alpha Networks Inc.

Implementation Status for Performance Evaluation of the Board of Directors

The board of directors approved the “The Rules for Performance Evaluation of the Board of Directors” on November 9, 2020, which stipulated the requirements of commencing performance appraisal of the Board at least once per year. The Company completed the evaluation of the board of directors at least once per year and an external professional independent agency or a team of external experts and scholars conducts a performance evaluation of the board of directors at least once every three years.

- (a) The Company completed the performance evaluation of the board of directors at the end of 2023, and reported the evaluation results of the board of directors held on February 27, 2024. The evaluation results of the board of directors, director members and two functional committees were all "excellent", which sufficiently indicates that the functions and operational efficiency of the company's board of directors and functional committees are good.
- (b) The Company has entrusted an independent evaluation institution, Taiwan Corporate Governance Association in 2021, to evaluate the performance of the board of directors of the Company. The evaluation was conducted with respect to eight main aspects: the composition, guidance, authorization, supervision, communication, self-discipline, internal control, and risk management of the board of directors. The evaluation method includes online self-evaluation, written review of relevant documents, and a field survey that was conducted in July, 2023. The subjects of the evaluation included the chairperson, two independent directors, the corporate governance officer and the Internal auditing officer. And Board meeting to report the evaluation results in October, 2023.
- (c) Implementation status:

Board of Directors evaluation implementation status	
Evaluation Cycles	The Company completed the evaluation of the board of directors at least once per year and an external professional independent agency or a team of external experts and scholars conducts a performance evaluation of the board of directors at least once every three years.
Evaluation Period	Internal performance evaluation of the board of directors: From January 1, 2023 to December 31, 2023 External performance evaluation of the board of directors: From June 1, 2022 to May 31, 2023
Evaluation Scope	Internal performance evaluation includes performance evaluation of the board of directors, individual board members, audit committee and salary and remuneration committee The scope of evaluation by external professional independent institutions is the effectiveness evaluation of the operation of the board of directors (excluding its audit committee and remuneration committee)
Evaluation Method	Internal self-evaluation by the board of directors, self-evaluation by board members, peer evaluation, appointment of external professional organizations, experts or other appropriate methods
Evaluation Items	I. Internal Self-Evaluation made by the Board and Board members 1. Alignment of the goals and missions of the Company 2. Participation in the operation of the Company 3. Management of internal relationship and communication 4. Improvement of the quality of the board of directors' decision making 5. Composition and structure of the board of directors

	<p>6. Awareness of the duties of a director</p> <p>7. Election, professionalism and continuing education of the directors</p> <p>8. Internal control</p> <p>II. Internal Self-Evaluation made by the Audit Committee</p> <p>1. Participation in the operation of the Company</p> <p>2. Awareness of the duties of Audit Committee</p> <p>3. Improvement of quality of decisions made by Audit Committee</p> <p>4. Makeup of Audit Committee and election of its members</p> <p>5. Internal control</p> <p>III. Internal Self-Evaluation made by the Remuneration Committee</p> <p>1. Participation in the operation of the Company</p> <p>2. Awareness of the duties of Remuneration Committee</p> <p>3. Improvement of quality of decisions made by Remuneration Committee</p> <p>4. Makeup of Remuneration Committee and election of its members</p>
Evaluation result (internal)	The Company's performance evaluation of directors (including functional committees) adopts an internal questionnaire method in 2023. The evaluation results of the board of directors, director members and two functional committees are all "excellent".
Evaluation result (external)	<p><u>Conclusion of checking:</u></p> <p>1. The chairperson of the company focuses on participatory leadership, widely accepts suggestions and opinions from directors, and fully communicates in advance on major issues, so that board members and independent directors can fully express their opinions and effectively perform their leadership and role functions.</p> <p>2. The directors of the company are all people with professional experience and rich management experience. In addition, there are two female members. Therefore, the composition of the board of directors has the spirit of professionalism, diversification and effective division of functions, and it also meets the needs of the company's development.</p> <p>3. After the new director of your company takes office, the corporate governance manager will arrange for communication and briefings with relevant company executives so that the new director can fully understand the company's situation. Provide complete information required for board meetings to facilitate directors' performance of their functions.</p> <p>4. The company's audit committee has smooth communication channels and complete information with the internal audit director and certified accountants, and the audit committee can fully exert its guidance and supervision functions.</p> <p><u>Optimization suggestions:</u></p> <p>1. The Company has established a "CSR Committee" in 2018, and changed its name to the "Sustainable Development Committee (ESG Committee)" in 2021 (affiliated with the Chairman's Office). In order to deepen and systematically implement the corporate sustainable development vision, it is recommended that your company consider elevating the "Sustainability Committee" to a functional committee under</p>

	<p>the board of directors. The board of directors is responsible for the direction of sustainable development and the supervision of specific promotion plans, so as to maintain the capacity of the execution unit and strengthen the discussion of important issues of sustainable development through the participation of professional independent directors.</p> <ol style="list-style-type: none"> 2. In order to strengthen the communication channel between stakeholders and independent directors (audit committee), it is recommended that the Company disclose the independent director's mailbox on the company's official website so that employees, suppliers, and other stakeholders can communicate directly or simultaneously through this channel contact and communicate with independent directors. 3. In order to ensure that directors can fulfill their supervisory duties, it is recommended that the Company establish a reporting mechanism and procedures for occasional major information, and standardize the major events that should be reported immediately, the reporting procedures, and the reporting period. Among them, the reporting process should cover all board members to ensure that outside directors can fully grasp the company's important information during non-meeting periods. 4. The Company has a "Board of Directors Performance Evaluation Method" and conducts self-evaluations of the Board of Directors, individual directors, and various functional committees every year. It is recommended that your company regularly review the design of the performance evaluation questionnaire and add forward-looking and strategic qualitative indicators regarding the company's future development so that it can more effectively reflect the guidance and supervision effectiveness of the board of directors, functional committees, and individual directors. To implement self-disciplinary review of the functions of the board of directors and functional committees, and to improve the effectiveness of the overall board of directors. <p><u>The company's implementation status and future improvement directions:</u></p> <ol style="list-style-type: none"> 1. Since the Company's sustainable development committee (ESG committee) regularly reports the work execution status to the board of directors and listens to the board's recommendations, it can currently meet the company's sustainable development tasks; and whether it has been promoted to a functional committee under the board of directors. Included in internal homework discussions. 2. The whistle blowing mailbox of independent directors (audit committee members) has been added and disclosed as recommended as a communication channel with stakeholders. 3. After reviewing the Company's "incident classification notification standards and procedures", it has covered and standardized the handling mechanism for occasional major information notifications, and the company has a LINE group for directors to ensure that outside directors can fully communicate during non-meeting periods. Master the company's important information and achieve risk control goals. 4. After reviewing the company's existing self-assessment performance questionnaire of the board of directors, individual directors and various functional committees, it has covered the key quantitative indicators of the company's future development. The questionnaire will be refined in the future based on the opinions of the directors, legal requirements and corporate governance development trends' survey design.
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