

The information on the operation of the Audit Committee is as follows

The Audit Committee of the company is composed of all independent directors, and meetings are held at least once per quarter, with additional meetings convened as necessary. Following the comprehensive election of the Board of Directors at the shareholders' meeting on May 30, 2023, the previous supervisory system was replaced by the Audit Committee. In 2023, the Audit Committee held 5 meetings, with the attendance of independent directors as follows:

Audit Committee_ Attendance of independent directors 2023

Title	Name	1st	2nd	3rd	4th	5th
		3/6/2023	5/8/2023	7/25/2023	11/8/2023	12/13/2023
Independent Director	Yi-Min Lin	●	●	●	●	●
Independent Director	Chia-Chi Kuo	●	●	●	◎	●
Independent Director	Cheng-Shong Hong	●	●	●	●	●

Note: ●: Attended in person ◎: Attended by video

○: Attended by proxy △: Did not attend

(2023.01.01~2023.12.31)

Title	Name	Actual Attendance	Delegate Attendance	Actual Attendance Rate (%)	Description
Independent Director	Yi-Min Lin (Convener)	5	0	1	Appointed Chair of the Audit Committee after the board's re-election on May
Independent Director	Chia-Chi Kuo	5	0	1	
Independent Director	Cheng-Shong Hong	5	0	1	

The resolutions of the Audit Committee meetings for the year 2023 are as follows:

Audit Committee meeting date	Motion No.	Motion details	Resolution	Company's response to the Audit Committee's opinions	Board meeting date	Board resolution
March 6, 2023 1st meeting of 2023	Motion 1	Review of the Company's 2022 financial statements and consolidated financial statements encompassing business investments.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed	March 6, 2023 1st meeting of 2023	Passed as proposed without objection from attending directors when inquired by the chair; to be presented during shareholder meeting for acknowledgment.
	Motion 2	Review of the 2022 earnings distribution.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for approval.	No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 3	Discussion on the issuance of the 2022 "Declaration of Internal Control System of Fine Blanking & Tool Co., Ltd."		No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 4	Discussion on the regular assessment of CPAs' independence. (Appointment of 2022 CPAs)		No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
May 8, 2023 2nd meeting of 2023	Motion 1	Review of the Company's 2023 first-quarter financial statements and consolidated financial statements encompassing business investments.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed	May 8, 2023 2nd meeting of 2023	Passed as proposed without objection from attending directors when inquired by the chair.
July 25, 2023 3rd meeting of 2023	Motion 1	Review of the Company's 2023 first-half consolidated financial statements.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed	July 25, 2023 3rd meeting of 2023	Passed as proposed without objection from attending directors when inquired by the chair.
November 8, 2023 4th meeting of 2023	Motion 1	Review of the 2023 audit plan.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed	November 8, 2023 4th meeting of 2023	Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 2	Review of consolidated financial statements encompassing business investments for the first three quarters of 2023	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 3	Revised review of the 「Procedures for Financial Transactions between Related Enterprises」 of the Company	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
December 13, 2023 5th meeting of 2023	Motion 1	Review of the capital expenditure budgets for 2024.	Passed as proposed without objection from attending members when inquired by the chair; to be included in the 2022 financial statements budget and presented to the board of directors for review.	No opinion expressed	December 13, 2023 5th meeting of 2023	Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 2	The proposal for the approval of the company's 2023 and 2024 budgets for sales and purchases to related parties, which account for more than 5% of the combined operating income.	Passed as proposed without objection from attending members when inquired by the chair; to be included in the 2022 financial statements budget and presented to the board of directors for review.	No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
February 27, 2024 1st meeting of 2024	Motion 1	Review of the Company's 2023 financial statements and consolidated financial statements encompassing business investments.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for acknowledgment.	No opinion expressed	February 27, 2024 1st meeting of 2024	Passed as proposed without objection from attending directors when inquired by the chair; to be presented during shareholder meeting for acknowledgment.
	Motion 2	Review of the 2023 earnings distribution.	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for approval.	No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 3	Discussion on the issuance of the 2023 "Declaration of Internal Control System of Fine Blanking & Tool Co., Ltd."		No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.
	Motion 4	Discussion on the regular assessment of CPAs' independence. (Appointment of 2024 CPAs)		No opinion expressed		Passed as proposed without objection from attending directors when inquired by the chair.

Operations of Audit Committee :

1. Operations of Audit Committee : The Audit Committee was established On June 18, 2020

Operations of the Audit Committee

total of 5 (A) Audit Committee meetings were held in 2023.

The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Convener	Yi-Min Lin	5	0	100%	5/30/2023 Re-election 5/30/2023 The re-elected convener
Committee Member	Chia-Chi Kuo	5	0	100%	5/30/2023 Re-election
Committee Member	Cheng- Shong Hong	5	0	100%	5/30/2023 Re-election

Other information required:

- For Audit Committee meetings that meet any of the following conditions, state the date and session of the board of directors meeting held, the discussed topics, the Audit Committee's resolution, and how the Company has responded to Audit Committee's opinions.
 - For an explanation of the issues listed in Article 14-5 of the Securities and Exchange Act, please refer to the Functionality of the Audit Committee chart presented on pages 48
 - Other than those described above, any resolutions unsupported by the Audit Committee but passed by more than two-thirds of the directors: None
- Disclosure regarding avoidance of motions involving conflicts of interest, including the names of independent directors concerned, motion details, the nature of the conflicts of interest, and the voting process.

None of the motions discussed in Audit Committee meetings in 2023 posed any conflicts of interest for which independent directors were required to recuse themselves from voting.
- Communication between independent directors and internal/external auditors
 - Communication between the Audit Committee and the Chief Internal Auditor in the year: Satisfactory.

The Company's Chief Internal Auditor is called into Audit Committee and board of directors meetings to report on the recent execution of audit tasks on a yearly basis. The Chief Internal Auditor also reports to each independent director on the overall progress of audit tasks conducted in the previous year during the first Audit Committee meeting of a new year, and fully communicates with independent directors on the scope of the audit, any defects and abnormalities discovered within the internal control system, and improvement and follow-up

actions. The internal audit unit not only produces monthly and quarterly audit reports and follow-up reports for independent directors, but may also engage independent directors in direct communication through means such as e-mail, telephone, and face-to-face discussion if necessary.

Meeting date Meeting session	Communication matters	Independent directors' opinions	Communication results
March 6, 2023 1st meeting of 2023	Report on audit tasks executed from November 2022 to January 2023 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
	Discussion on the issuance of the 2022 "Declaration of Internal Control System of Fine Blanking & Tool Co., Ltd."	Questions and discussions	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for approval.
May 8, 2023 2nd meeting of 2023	Report on audit tasks executed from February 2022 to March 2022 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
July 25, 2023 3rd meeting of 2023	Report on audit tasks executed from April 2023 to June 2023 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
November 8, 2023 4th meeting of 2023	Report on audit tasks executed from July 2023 to September 2023 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
	Review of the Audit Plan for the Fiscal Year 2024.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.

December 13, 2023 5th meeting of 2023	Report on audit tasks executed from October 2023 to November 2023 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
February 27, 2024 1st meeting of 2024	Report on audit tasks executed from December 2023 to January 2024 and the establishment and implementation of the internal control system in subsidiaries.	Questions and discussions	After discussion, the independent directors had no objection to the report on audit task execution.
	Discussion on the issuance of the 2023 “Declaration of Internal Control System of Fine Blanking & Tool Co., Ltd.”	Questions and discussions	Passed as proposed without objection from attending members when inquired by the chair; to be presented to the board of directors for approval.

(2) Communication between the Audit Committee and financial statement auditors in 2023: Satisfactory.

The Company’s financial statement auditors participate in Audit Committee and board of directors meetings to discuss matters relating to the financial reports on a quarterly basis. The financial statement auditors may also engage the Audit Committee or individual independent directors in separate discussions as needed based on their professional judgment.

Meeting date Meeting session	Communication matters	Independent directors’ opinions	Communication results
March 6, 2023 1st meeting of 2023	Review of the Company’s 2022 financial statements and consolidated financial statements encompassing business investments.	Questions and discussions	Passed by the Audit Committee and presented to the board of directors for acknowledgment, and subsequently announced and filed with the authority in a timely manner.
May 8, 2023 2nd meeting of 2023	Review of the Company’s 2023 first-quarter financial statements and consolidated financial statements encompassing business investments.	Questions and discussions	Passed by the Audit Committee and presented to the board of directors for acknowledgment, and subsequently announced and filed with the authority in a timely manner.

July 25, 2023 3rd meeting of 2023	2023 first-half consolidated financial statements encompassing business investments	Questions and discussions	Passed by the Audit Committee and presented to the board of directors for acknowledgment, and subsequently announced and filed with the authority in a timely manner.
November 8, 2023 4th meeting of 2023	Consolidated financial statements and consolidated financial statements encompassing business investments for the third quarters of 2023	Questions and discussions	Passed by the Audit Committee and presented to the board of directors for acknowledgment, and subsequently announced and filed with the authority in a timely manner.
February 27, 2024 1st meeting of 2024	Review of the Company's 2023 financial statements and consolidated financial statements encompassing business investments.	Questions and discussions	Passed by the Audit Committee and presented to the board of directors for acknowledgment, and subsequently announced and filed with the authority in a timely manner.