

Pili International Multimedia Co., Ltd. 2018 Board of Directors (Functional Committee)

Item	Result		Note
A. Level of participation in the Company's operations			
1. Did the average actual attendance at Board meetings of each director (not including attendance by proxy) exceed 70%?	Yes		2018 年共三位董事出席率未達 70%，已向各董事提倡應積極參與董事會。
	No	V	
2. Did more than half of all directors attend shareholders' meetings?	Yes	V	
	No		
3. Did the directors study the content of the agenda before meetings and actively participate in the discussion of proposals?	Yes	V	
	No		
4. Do the directors enjoy a positive working relationship with the management?	Yes	V	
	No		
5. Is compliance with laws, regulations and best practice principles important to the Board?	Yes	V	
	No		
6. Did all directors make a tangible contribution during Board meetings?	Yes	V	
	No		
7. Did the Board of Directors seek to improve governance by formulating corporate governance regulations, supporting the Company's participation in corporate assessments and ensuring proper protection of shareholders' rights and interests?	Yes	V	
	No		
8. Do Board members have a clear understanding of the Company, Company management and the Company's business portfolio?	Yes	V	
	No		
9. Do the directors effectively assess and monitor existing or potential risks to the Company? Does the Board discuss the status of enforcement and monitoring items in the internal control system?	Yes	V	
	No		
10. Do the directors communicate and interact with the attesting CPA?	Yes	V	
	No		
11. Were the Chairman, Board members or managerial officers prosecuted for violation of the Securities and Exchange Act, Company Act, Banking Act, Financial Holding Company Act, Business Account Act, or for corruption, malfeasance, fraud, breach of trust, or embezzlement?	Yes	V	
	No		
12. Does the Board regularly and thoroughly review the management performance of the management team then reward or discipline them in a timely manner?	Yes	V	
	No		
13. Can the Board acquire comprehensive reports	Yes	V	

on the performance of business operations in a timely manner, and quickly pick up on any unfavorable trends?	No		
B. Improving the Quality of Decision-Making by the Board of Directors			
14. Did the Board of Directors define the core values of the Company (ideals such as discipline, mission, pride, vision), and clearly define all strategic Company goals?	Yes	V	
	No		
15. Are the processes for the discussion and defining of the Company's strategic planning and budget appropriate?	Yes	V	
	No		
16. Is the Board of Directors convened more than 6 times a year?	Yes	V	
	No		
17. Is the information provided in a timely manner, in a set format, and of the right quality to the Board of Directors so it can carry out its duties?	Yes	V	
	No		
18. Do the minutes of Board of Directors meeting provide an appropriate record of the discussions as well as any individual or collective qualified opinions/items of interest?	Yes	V	
	No		
19. Do Board meetings provide sufficient time for discussion?	Yes	V	
	No		
20. Are the proposals submitted to the Board for discussion and decision appropriate?	Yes	V	
	No		
21. Does the Board agenda allocate a suitable amount of time for the discussion of each material issue and can discuss them in an appropriate manner?	Yes	V	
	No		
22. Does the Board provide proper channels for communication and can communicate with independent directors in an appropriate manner?	Yes	V	
	No		
23. Are all Board resolutions given proper implementation and follow-up?	Yes	V	
	No		
24. If a director has a conflict of interest with a certain proposal, does the director voluntarily recuse him/herself, or does the chairperson explicitly direct the director to do so?	Yes	V	
	No		
25. Do the Board, Board members and each functional committee carry out performance evaluations on a regular basis in an efficient manner?	Yes	V	
	No		
C. The Composition and Structure of the Board of Directors			
26. Does the Board include independent directors and do their number satisfy the relevant regulations?	Yes	V	
	No		
27. Are the independent directors of the Company not directors (including independent directors) at	Yes	V	
	No		

more than three TWSE/TPEX-listed companies concurrently?			
28. Has the Board established a sufficient number of appropriate functional committees?	Yes	V	
	No		
29. Are the existing functional committees capable of carrying out the responsibilities assigned by the Board?	Yes	V	
	No		
30. Has the Company formulated a diversification policy for the membership of the Board based on the Company's development requirements?	Yes	V	
	No		
31. Are no more than two of Company directors related to each other by marriage or second degree of kinship?	Yes	V	
	No		
D. The Appointment and Continuing Education of Directors			
32. Is the procedure for selecting new directors sufficiently rigorous and transparent?	Yes		2018 年未有選任新董事之情事。
	No		
33. Are all members of the Board selected on the basis of the Company's diversification policy for Board members?	Yes		2018 年未有選任新董事之情事。
	No		
34. In terms of the Company's current requirements, does the current Board membership possess the appropriate range of skills, knowledge and experience?	Yes	V	
	No		
35. Does the Board provide newly appointed directors with appropriate introduction to their duties as well as the Company's operations and conditions?	Yes		2018 年度未有新任董事就任。
	No		
36. Do the directors complete the requisite number of training hours each year?	Yes	V	
	No		
37. Are the directors continuing to undertake corporate governance courses?	Yes	V	
	No		
38. Is there a formal record of directors' training hours and a professional development plan to help them enhance their knowledge and skills?	Yes	V	
	No		
E. Internal Controls			
39. Is risk management and control of the management incorporated into the corporate decision-making process?	Yes	V	
	No		
40. Does the Board effectively evaluate and monitor the effectiveness of internal control systems and risk management?	Yes	V	
	No		
41. Does the internal control system approved by the Board encompass the five key elements/principles and encompass controls for all business activities and transaction cycles?	Yes	V	
	No		

42. Does the Board of Directors issue a declaration that no serious deficiencies were found in the internal control system when the Company conducts internal inspections on the design and enforcement of the internal control system each year?	Yes	V	
	No		
43. Does the Company's audit officer/chief auditor sits in at Board meetings, delivers reports on internal audit activities, and submit or deliver audit reports (including follow-up reports) to each supervisor (or Audit Committee) and independent director as required by law?	Yes	V	
	No		
44. Is the composition of the Audit Committee appropriate?	Yes	V	
	No		
45. Is there at least one Audit Committee member with relevant financial experience?	Yes	V	
	No		
46. Are the powers and responsibilities of the Audit Committee clearly and appropriately defined?	Yes	V	
	No		
47. If the CPA provides non-audit services, are there appropriate arrangements to ensure the objectivity and independent of the CPA?	Yes	V	
	No		
48. Do the Board directors review and supervise the Company's accounting system, financial status and reports, audit reports and follow-ups?	Yes	V	
	No		
F. Other (If any, please define)			
Supplementary information:			
<p>General summary:</p> <p><input checked="" type="checkbox"/> Satisfactory.</p> <p><input type="checkbox"/> Improvement needed.</p> <p>Improvement plan: _____.</p>	<p>(Assessment by Chairman)</p> <p>經綜合各董事自評結果，除實際出席率待加強外，就整體董事會之績效尚屬有效運作。</p> 		