

Summary of Communications between Independent Directors and Chief Internal Auditor

Meeting Date	Attendance	Item	Result
2021.02.24 Audit Committee	Independent Director Juh-Shan Chiou Hsien-Tang Tsai Lin-Lin Lee Chief Internal Auditor Ray-Ping Wu CPA Yu-Hsiang Liu	1. Report audit results for 2021.	Passed unanimously.
		2. Review the draft operations and financial reports for 2020.	Reported at the meeting of the Board of Directors.
		3. 2021 Internal Control System Statements.	Reported at the meeting of the Board of Directors.
2021.11.02 The independent directors communicate with chief internal auditors in individual meeting	Independent Director Juh-Shan Chiou Hsien-Tang Tsai Lin-Lin Lee Chief Internal Auditor Ray-Ping Wu	Internal audit reports in 2020 Q4~2021 Q3	1. The procedure of lobbying. Operation Enhancement: CHS has made rule of lobby. If employees violate the rule, The internal audit department will make records in three days.
			2. The item and amount of sale discount and the allowance amount of quality (customer compliant). Operation Enhancement: The main items of sales allowance in 2019 are Performance discount, quantity discount and quality discount. The amount of quality discount is about 1% or less of the total discount amount.
			3. Delivery internal audit report paperless. Operation Enhancement: The internal audit department kept the certificate of reading records on the premise that audit reports can be send through e-mails.

			<p>4. Management of using USB. Operation Enhancement: The number of application for using USB is 40.8%.We will make new registration annually. CHS will control the number of application under 20%.</p>
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