



Dyaco International Inc.

2021 Major Resolutions and Operations of the Board

- Ten Board meetings were convened in 2021 (A). The directors' attendance status was as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) 【 B / A 】	Note
Chairman	Lin, Ing-Gin	10	-	100%	-
Director	Liao, Liang-Bin	6	-	75%	Resigned on November 11, 2021. Should attend 8 Board meetings.
Director	Zhuang, Zhu-Wei	10	-	100%	-
Director	Chang, Chih-Chuan	10	-	100%	-
Independent Director	Hsieh, Chang-Hung	10	-	100%	-
Independent Director	Wang, Kai-Li	10	-	100%	-
Independent Director	Wang, Chih-Cheng	10	-	100%	-

- Other required notes for the Board meetings:

1. In the event of either of the following situations, dates, sessions, contents of resolutions of the Board meetings, opinions from all independent directors, and Company responses to their opinions should be noted:

- i. Matters listed in the Securities and Exchange Act §14-3.

Board Meeting Dates	Resolution	Any Independent Director Had a Dissenting Opinion or Qualified Opinion
The 5 th meeting of the 11 th Board on March 4, 2021	(1). Amendment to handling procedures for acquisition or disposal of assets.	None
	(2). Amendment to the rules governing the proceedings of shareholders meetings.	None
	(3). Adoption of endorsements/guarantees procedures for President Plastic Products MFG. Co., Ltd.	None
	(4). Appointment of dedicated chop and custodian for endorsements/guarantees of President Plastic Products MFG. Co., Ltd.	None
	(5). President Plastic Products MFG. Co., Ltd. made	None



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	endorsements/guarantees for the Company.	
	(6). The Company made endorsements/guarantees for subsidiary Shelton Corporation (Jiaxing), Ltd.	None
	(7). The establishment of the eco-friendly paper containers company.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 6 th meeting of the 11 th Board on March 30, 2021	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Approval of 2020 annual financial statements and business report.	None
	(3). Approval of 2020 statement of internal control system.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 7 th meeting of the 11 th Board on May 4, 2021	(1). The Company issued the third domestic unsecured convertible corporate bonds.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 8 th meeting of the 11 th Board on May 14, 2021	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Approval of 2021 the first quarter consolidated financial statements.	None
	(3). Adjustment of the ceilings on the amounts President Plastic Products MFG. Co., Ltd. was permitted to make endorsements/guarantees for the Company.	None
	(4). Change of dedicated chop and custodian for endorsements/guarantees of President Plastic Products MFG. Co., Ltd.	None
	(5). Spirit Manufacturing Inc. underwrote a capital increase of subsidiary Spirit Direct, LLC.	None
	(6). Adoption of handling procedures for acquisition or disposal of assets for President Plastic Products MFG. Co., Ltd.	None
	(7). The Company acquired right-of-use asset from President Plastic Products MFG. Co., Ltd.	None



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	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 9 th meeting of the 11 th Board on June 28, 2021	(1). The Company made endorsements/guarantees for sub-subsidiary Fuel Spirit International Inc. (Mauritius).	None
	(2). The Company made loans to sub-subsidiary CARDIO Fitness.	None
	(3). Construction of the plant in Taichung Dajia.	None
	(4). Spirit Manufacturing Inc. expanded warehouses and office premises.	None
	(5). Donation to Chinese Taipei Football Association.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 10 th meeting of the 11 th Board on August 11, 2021	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Approval of 2021 the second quarter consolidated financial statements.	None
	(3). The Company made endorsements/guarantees for subsidiary President Plastic Products MFG. Co., Ltd.	None
	(4). Investment in City Sport Co., Ltd (Thailand).	None
	(5). Investment in Morsel, Inc.	None
	(6). Adjustment of group investment structure.	None
	(7). Capitalization of brand licensing renewal in accordance with accounting principles.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
Resolution: All directors present at the meeting approved.		
The 2 nd special meeting of the 11 th Board on September 29, 2021	(1). The fourth buyback of treasury stock.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 11 th	(1). Loaning of funds for the subsidiaries of the Company.	None

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meeting of the 11 th Board on November 12, 2021	(2). Determining whether there were loaning funds to unrelated parties in this quarter.	None	
	(3). Approval of 2021 the third quarter consolidated financial statements.	None	
	(4). The Company underwrote a capital increase of subsidiary Wing Long Co., Ltd.	None	
	(5). The Company cancelled endorsements/guarantees for subsidiary Shelton Corporation (Jiaxing), Ltd.	None	
	(6). Amendment to endorsements/guarantees procedures for President Plastic Products MFG. Co., Ltd.	None	
	(7). The Company made endorsements/guarantees for subsidiary Cikayda Inc.	None	
	(8). Adjustment of the ceilings on the amounts of collateral President Plastic Products MFG. Co., Ltd. provided to the Company.	None	
	(9). President Plastic Products MFG. Co., Ltd. made endorsements/guarantees for subsidiary Cikayda Inc.	None	
	Independent directors' opinions: None.		
	The Company' s responses to independent directors' opinions: None.		
Resolution: All directors present at the meeting approved.			
The 12 th meeting of the 11 th Board on November 29, 2021	(1). Acquisition of UK online sports and fitness equipment seller Sweatband.com Ltd.	None	
	(2). The Company made endorsements/guarantees for sub-subsidiary CARDIO Fitness.	None	
	Independent directors' opinions: None.		
	The Company' s responses to independent directors' opinions: None.		
	Resolution: All directors present at the meeting approved.		
The 13 th meeting of the 11 th Board on December 28, 2021	(1). The Company made loans to subsidiary City Sport Co., Ltd (Thailand).	None	
	(2). The Company made loans to subsidiary Sweatband.com Ltd.	None	
	(3). Amendment to the Company' s internal control policies and internal audit procedures.	None	
	(4). The Company cancelled endorsements/guarantees for subsidiary Dyaco UK Ltd.	None	
	(5). 2021 Assessment of independence of CPAs.	None	
	Independent directors' opinions: None.		

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	The Company' s responses to independent directors' opinions: None.
	Resolution: All directors present at the meeting approved.

ii. Besides the above-mentioned matters, other resolutions of the Board on which independent directors had dissenting or qualified opinions, and that were documented or issued through written statements: None.

iii. The Board reports on the implementation of corporate governance

Board Meeting Dates	Corporate Governance Implementation Status	Attendance and Directors' Response
The 6 th meeting of the 11 th Board on March 30, 2021	(1). Report: Communication between governance unit and CPAs for the first quarter of 2021. (2). Report: Communication between governance unit and internal auditors for the first quarter of 2021.	All directors present at the meeting acknowledged resolutions.
The 13 th meeting of the 11 th Board on December 28, 2021	(1). Report: Corporate Social Responsibility (CSR) implementation status in 2021. (2). Report: Ethical Corporate Management implementation status in 2021. (3). Report: Stakeholder reporting and communication in 2021. (4). Report: Status of the intellectual property management scheme in 2021. (5). Report: Implementation of risk management policies in 2021.	All directors present at the meeting acknowledged resolutions.

2. In the event of recusals of directors due to conflicts of interests, the name of the directors, the motion, the grounds for recusal and the participation in voting should be noted:

Name	Date	Motion	Grounds for Recusal	Participation in Voting
Lin, Ing-Gin, Liao, Liang-Bin, Zhuang, Zhu-Wei, Chang, Chih-Chuan, Hsieh, Chang-Hung, Wang, Kai-Li, Wang, Chih-Cheng	The 6 th meeting of the 11 th Board on March 30, 2021	Approval of 2020 distribution of employees' and directors' compensation	Lin, Ing-Gin, Liao, Liang-Bin, Zhuang, Zhu-Wei, Chang, Chih-Chuan, Hsieh, Chang-Hung, Wang, Kai-Li, Wang, Chih-	Except directors recused themselves from the discussion and voting, other directors present at the meeting approved based on resolutions of the Compensation Committee.

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			Cheng were interested parties.	
Lin, Ing-Gin, Zhuang, Zhu-Wei, Chang, Chih-Chuan, Hsieh, Chang-Hung, Wang, Kai-Li, Wang, Chih-Cheng	The 13 th meeting of the 11 th Board on December 28, 2021	Approval of 2021 distribution of employees' and directors' compensation	Lin, Ing-Gin, Zhuang, Zhu-Wei, Chang, Chih-Chuan, Hsieh, Chang-Hung, Wang, Kai-Li, Wang, Chih-Cheng were interested parties.	Except directors recused themselves from the discussion and voting, other directors present at the meeting approved based on resolutions of the Compensation Committee.

3. Evaluation of targets for strengthening of the functions of the Board during the current and immediately preceding fiscal years (e.g. setting up an Audit Committee, enhancing information transparency, etc):

- i. The Company adopted procedures for Board self-assessment or peer evaluation on Board meeting of November 11, 2016 and completed Board self-assessment report in December 2021. The result of the internal assessment is expected to be reported to the Board at its first quarter meeting in 2021 and disclosed on Company website.
- ii. To enhance the transparency of information, the Company issues major operations news in the form of material information.
- iii. The Company immediately discloses major resolutions on the Market Observation Post System after the Board meeting to protect shareholders' rights and interests, has a designated person responsible for the collection and disclosure of Company information, and establishes a spokesperson system to ensure timely and proper release of material information for shareholders and stakeholders.
- iv. The Company continually arranges professional training for directors. A total of 38 hours of director training with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report. The training was as follows.

Name	Date	Host by	Training/Speech Title	Duration	Total Hours
Lin, Ing-Gin	2021.11.12	Taiwan Corporate Governance Association	Changes in the 5G Era: Industrial Upgrading, Business Applications for the Future, and Post-pandemic New Normal	3	6
	2021.11.29	Taiwan Corporate Governance Association	Taxation of Corporate and Major Shareholders	3	

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Zhuang, Zhu-Wei	2021.09.01	Financial Supervisory Commission R.O.C (Taiwan)	The 13 th Taipei Corporate Governance Forum	3	6
	2021.10.18	Taipei Exchange	Propaganda Conference of Insider Ownership in Main Board Companies and Emerging Stock Board Companies	3	
Chang, Chih-Chuan	2021.11.12	Taiwan Corporate Governance Association	Changes in the 5G Era: Industrial Upgrading, Business Applications for the Future, and Post-pandemic New Normal	3	6
	2021.11.29	Taiwan Corporate Governance Association	Taxation of Corporate and Major Shareholders	3	
Hsieh, Chang-Hung	2021.11.12	Taiwan Corporate Governance Association	Changes in the 5G Era: Industrial Upgrading, Business Applications for the Future, and Post-pandemic New Normal	3	6
	2021.11.29	Taiwan Corporate Governance Association	Taxation of Corporate and Major Shareholders	3	
Wang, Kai-Li	2021.11.08	Taiwan Corporate Governance Association	Disclosure of Material Information and Responsibilities of Directors and Supervisors	3	6
	2021.11.12	Taiwan Corporate Governance Association	Changes in the 5G Era: Industrial Upgrading, Business Applications for the Future, and Post-pandemic New Normal	3	
Wang, Chih-Cheng	2021.02.23	Taiwan Academy of Banking and Finance	Operation of Directors and Supervisors and Corporate Governance Seminar	2	8
	2021.09.17	Independent Director Association Taiwan	Fair Treatment Principles in Financial Services Industry	3	
	2021.09.17	Independent	New Challenges for Financial	3	



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		Director Association Taiwan	Services Industry in Money Laundering Prevention		
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4. Board Performance Evaluation:

i. Performance Evaluation and Compensation

Pursuant to §24 of the Company's Articles of Incorporation, not more than 5 percent of profit of the current year shall be distributed as compensation to directors. The procedures for determining compensation shall be subject to Board self-assessment or peer evaluation and stated in §21 of the Company's Articles of Incorporation. The directors' compensation shall be determined by the Compensation Committee with respect to their participation in and contribution to the operations. The Board is authorized to distribute compensation in accordance with the Compensation Committee's assessment and the typical pay levels adopted by peer companies. In the event of moral hazard, other adverse events that may impair the Company's reputation or goodwill, internal mismanagement, or corrupt practices, the reasonable compensation to directors shall be adjusted with respect to their participation in and contribution to the operations.

ii. Result of Performance Evaluation

The Company adopted procedures for Board self-assessment or peer evaluation on Board meeting of November 11, 2016. Beginning in 2016, performance evaluation is annually completed in December by the Board as a whole through self-assessment surveys via questionnaires. External board performance evaluation is performed at least once every three years by an external professional independent organization or a team of external experts, with current year performance evaluation conducted at the end of the year.

(1). Internal Evaluation:

The individual directors are assessed on the following six aspects:

- Understanding of the Company's goals and mission
- Awareness of director's duties
- Involvement in the Company's operations
- Internal relationship and communication
- Expertise and continuing education
- Internal controls

The weighted average score for the 2021 overall performance of the directors was 5 out of 5 and is expected to report the result to the Board at its first quarter meeting in 2022.

The Board of Directors are assessed on the following five aspects:

- Involvement in the Company's operations
- Enhancement of the quality of the Board's decision-making
- Makeup and structure of the Board
- Election of directors and continuing knowledge development

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- Internal controls

The weighted average score for the 2021 overall performance of the Board of Directors was 5 out of 5 and is expected to report the result to the Board at its first quarter meeting in 2022.

(2). External Expert Evaluation:

According to procedures for Board self-assessment or peer evaluation, external expert evaluation shall be performed at least once every three years. The Company engaged Chainye Management Consulting Co. to conduct an external evaluation of the overall performance of Board, directors and functional committees for the year 2020. The evaluation was performed through a combination of data analysis (including self-assessment questionnaires and public information) and actual participation in the Company' s Board and functional committee meetings.

Evaluation scope was as follow.

Board of Directors	Individual Director	Functional Committee
<ul style="list-style-type: none"> ● Involvement in the Company' s operations ● Enhancement of the quality of the Board' s decision-making ● Makeup and structure of the Board ● Election of directors and continuing knowledge development ● Internal controls 	<ul style="list-style-type: none"> ● Understanding of the Company' s goals and mission ● Awareness of director' s duties ● Involvement in the Company' s operations ● Internal relationship and communication ● Expertise and continuing education ● Internal controls 	<ul style="list-style-type: none"> ● Involvement in the Company' s operations ● Awareness of the functional committee' s duties ● Enhancement of the quality of the functional committee' s decision-making ● Makeup of the functional committee and election of members ● Internal controls

Evaluation Result:

- A. Chainye Management Consulting Co. on Jan 8, 2021 issued an assessment, stating that the Board of the Company has established policies and processes relating to the operation of the Board in compliance with relevant laws and domestic corporate governance standards in all aspects, that the Board is composed of directors with professional competence and continuing education, that the functions of the Board members and functional committees are operating effectively, and that they are assigned work based on different professions and experience, and have a timely understanding of the Company' s operations and risks, and have a high level of participation in the Company' s operations, with the overall assessment result being between good and excellent.
- B. The result of the above assessment was reported to the Board on March 4, 2021.