



Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

- Six Board meetings were convened in 2022(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	6	-	100%	-
Director	Zhuang, Zhu-Wei	6	-	100%	-
Director	Chang, Chih-Chuan	6	-	100%	-
Director	Wanshida Construction Co., Ltd. Representative: Li, Bo-Yi	3	-	100%	-
Independent Director	Hsieh, Chang-Hung	6	-	100%	-
Independent Director	Wang, Kai-Li	6	-	100%	-
Independent Director	Wang, Chih-Cheng	6	-	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 14 th meeting of the 11 th Board on March 9, 2022	(1).Amendment to handling procedures for acquisition or disposal of assets.	None
	(2).Amendment to the Company' s internal control policies and internal audit procedures.	None
	(3).The Company made endorsements/guarantees for subsidiary Shelton Corporation (Jiaxing), Ltd.	None
	(4).Entering into Contract of Construction of Plant on Leased Land.	None
	(5).Employee stock options are offered by Sweatband.com to their employees.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	



Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

	Resolution: All directors present at the meeting approved.	
The 15 th meeting of the 11 th Board on March 31, 2022	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Approval of 2021 annual financial statements and business report.	None
	(3). Approval of 2021 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 16 th meeting of the 11 th Board on May 11, 2022	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Determining whether there were loaning funds to unrelated parties in this quarter.	None
	(3). Approval of 2022 the first quarter consolidated financial statements.	None
	(4). The Company cancelled endorsements/guarantees for subsidiary Cardio Fitness GmbH & Co. KG.	None
	(5). The Company made loans to sub-subsidiary Cardio Fitness GmbH & Co. KG.	None
	(6). The Company cancelled endorsements/guarantees for subsidiary Shelton Corporation (Jiaxing), Ltd.	None
	(7). The fifth 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 17 th meeting of the 11 th Board on August 12, 2022	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Determining whether there were loaning funds to unrelated parties in this quarter.	None
	(3). Approval of 2022 the second quarter consolidated financial statements.	None
	(4). Increase investment in sub-subsidiary Dyaco Japan.	None
	(5). Increase investment in sub-subsidiary Dyaco UK.	None
	(6). Increase investment in sub-subsidiary Dyaco Europe.	None
	(7). Apply for bank loans.	None
	(8). Acquired for 70% equities of IUVO.	None



Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
The 18 th meeting of the 11 th Board on November 10, 2022	(1). Loaning of funds for the subsidiaries of the Company.	None
	(2). Determining whether there were loaning funds to unrelated parties in this quarter.	None
	(3). Increase investment in sub-subsidiary Sole Inc. and Fitness Equipment Service, LLC.	None
	(4). Approval of 2022 the third quarter consolidated financial statements.	None
	(5). Apply for bank loans.	None
	(6). Transaction charges structure for IUVO' s equity segment.	None
	(7). Increase investment in sub-subsidiary IUVO.	None
	(8). Increase investment in sub-subsidiary President Plastic Products MFG. Co., Ltd.	None
	(9). The Company made loans to sub-subsidiary City Sport.	None
	Independent directors' opinions: None.	
	The Company' s responses to independent directors' opinions: None.	
	Resolution: All directors present at the meeting approved.	
	The 19 th meeting of the 11 th Board on December 23, 2022	(1). President Plastic Products MFG. Co., Ltd. made endorsements/guarantees for the Company.
(2). The Company made loans to sub-subsidiary Sweatband.com.		None
(3). Apply for bank loans.		None
(4). 2022 Assessment of independence of CPAs.		None
Independent directors' opinions: None.		
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

Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

Board Meeting Dates	Corporate Governance Implementation Status	Attendance and Directors' Response
The 15 th meeting of the 11 th Board on March 31, 2022	(1). Report: Communication between governance unit and CPAs. (2). Report: Communication between governance unit and internal auditors.	All directors present at the meeting acknowledged resolutions.
The 19 th meeting of the 11 th Board on December 23, 2022	(1). Report: Corporate Sustainable Development implementation status in 2022. (2). Report: Ethical Corporate Management implementation status in 2022. (3). Report: Stakeholder reporting and communication in 2022. (4). Report: Status of the intellectual property management scheme in 2022. (5). Report: Implementation of risk management policies in 2022. (6). Report: Communication between governance unit and CPAs.	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
Chang, Chih-Chuan	The 14 th meeting of the 11 th Board on March 9, 2022	Entering into Contract of Construction of Plant on Leased Land.	Chang, Chih-Chuan was 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.
Lin, Ing-Gin, Zhuang, Zhu-Wei, Chang, Chih-Chuan, Hsieh, Chang-Hung, Wang, Kai-Li, Wang, Chih-Cheng	The 15 th meeting of the 11 th Board on March 31, 2022	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) :

Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

- 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 2023 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 51 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	2022.09.18	Taiwan Investor Relations Institute	Corporate Governance Series - ESG and Tax Practice Analysis	3	6
	2022.11.10	Taiwan Corporate Governance Association	Cross-border merger analysis	3	
Zhuang, Zhu-Wei	2022.07.07	Taipei Exchange	"Sustainable Development Roadmap" Industry Theme Promotion Conference	2	8
	2022.08.25	Taipei Exchange	Seminar to insiders of listed/registered companies	3	
	2022.10.25	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3	
Chang, Chih-Chuan	2022.11.10	Taiwan Corporate Governance Association	Cross-border merger analysis	3	6
	2022.11.18	Securities & Futures Institute	TCFD Disclosure Practices And The Role Of The Board Of Directors.	3	
Wanshida Construction Co., Ltd. Representative: Li, Bo-Yi	2022.06.21	Securities & Futures Institute	The practice seminar for director, supervisors and corporate governance director-Taipei	12	12
	2022.06.22				
Hsieh, Chang-	2022.11.1	Taiwan Corporate	Cross-border merger analysis	3	6



Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

Hung	0	Governance Association			
	2022.12.09	Taiwan Corporate Governance Association	Transforming to a risk intelligence organization – from fraud risk prevention, detection and investigation perspectives	3	
Wang, Kai-Li	2022.08.11	Taiwan Corporate Governance Association	Analysis of the global economic trends and technological pulse	3	6
	2022.11.10	Taiwan Corporate Governance Association	Cross-border merger analysis	3	
Wang, Chih-Cheng	2022.04.08	Taiwan Corporate Governance Association	Global information technology risk and Information security governance.	2	7
	2022.04.08	Taiwan Corporate Governance Association	The Net-Zero Trend: A Practical Observation of The Board's ESG	3	
	2022.06.10	Securities & Futures Institute	The 2022 Advocacy Briefing on Prevention of Insider Trading	3	

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.

Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

(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 2022 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 2023.

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
- Internal controls

The weighted average score for the 2022 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 2023.

(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 	<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



Dyaco International Inc.

2022 Major Resolutions and Operations of the Board

	● Internal controls	● Internal controls
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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.