

## Communications of Independent Directors with Internal Auditors and CPAs

### 1. Communication of independent directors with internal auditors.

- A. Board of Directors, including 5 independent directors, were elected in the 2018 General Shareholders Meeting of Wistron. The 4<sup>th</sup> session of Audit Committee is consist of the 5 independent directors with term of office same as Board of Directors, from Jun. 14<sup>th</sup>, 2018 through Jun. 13<sup>rd</sup>, 2021.
- B. The internal auditors send audit reports to the independent auditors on monthly basis, and immediate discussions and communications were held if any questions/concerns were raised by the independent directors. Also, the summary of audit reports is presented in the Audit Committee meeting quarterly; if necessary, the Audit Committee will invite the management in charge to participate in the discussion.
- C. It will be e-mails, phone calls or face to face meetings for communications mentioned above.

### 2. The major matters of the communication between the independent directors and the internal auditors :

The major matters of communications between independent directors and internal auditors in year 2018. Communications were good in general.

Date	Event	Topic
2018/03/13	3 <sup>rd</sup> Audit Committee	1. Audit reporting of 4 <sup>th</sup> quarter, 2017. 2. 2017 Internal Control System counterchecking.
2018/05/11	3 <sup>rd</sup> Audit Committee	1. Audit reporting of 1st quarter, 2018. 2. HR cycle audit (including subsidiary).
2018/06/21~ 2018/07/02	Forum	Communication with independent directors of the 4 <sup>th</sup> session. 1. Internal audit operation (including organization, risk assessment and reporting process...) 2. Expectations and instructions from independent directors.
2018/08/10	4 <sup>th</sup> Audit Committee	1. Audit reporting of 2nd quarter, 2018. 2. Purchasing and payment cycle of subsidiary audit.
2018/11/09	4 <sup>th</sup> Audit Committee	1. Audit reporting of 3rd quarter, 2018. 2. Cash management and production cycle of

		<p>subsidiary audit.</p> <p>3. Arrange for the top information management department to conduct information security operations instructions.</p>
2018/11/09	Forum	1. 2019 annual audit plan (including risk assessment guideline) discussion
2018/12/21	4 <sup>th</sup> Audit Committee	1. 2019 annual audit plan proposal and discussion.

### 3. The major matters of the communication between the independent directors and the CPAs :

In each quarterly Audit Committee meeting, the CPAs communicate with the independent directors on the matters about the review or audit results of quarterly financial statements and other relevant laws and regulations information.

Date	Event	Topic
2018/03/13	3 <sup>rd</sup> Audit Committee	<ol style="list-style-type: none"> <li>1. The CPAs reported the scope of 2017Q4 financial report, check findings, planning matters and key audit matters, and explains the responsibility of the audit personnel to audit the financial report.</li> <li>2. The CPAs explained and communicated with the Audit Committee on the impact of the International Financial Reporting Guidelines (include IFRS 9 and IFRS 15) which will be adopted in 2018.</li> <li>3. The CPAs explained and communicated with the Audit Committee on accounting treatment and impact of changes in income tax rates in 2018.</li> <li>4. The CPAs introduced the General Data Protection Regulation (GDPR) with the Audit Committee.</li> <li>5. The CPAs explained the issues raised by the members of Audit Committee.</li> </ol>
2018/05/11	3 <sup>rd</sup> Audit Committee	1. The CPAs reported the scope of 2018Q1 financial report, check findings, and the impacts of adopting IFRS 9 and IFRS 16,

		<p>and explains the responsibility of the review personnel to audit the financial report.</p> <ol style="list-style-type: none"> <li>2. The CPAs explained and communicated with the Audit Committee on the application of Statements of Auditing Standards- No. 65 Review of Financial Information Performed by the Independent Auditor of the Entity.</li> <li>3. The CPAs explained the issues raised by the members of Audit Committee.</li> </ol>
2018/08/10	4 <sup>th</sup> Audit Committee	<ol style="list-style-type: none"> <li>1. The CPAs reported the scope of 2018Q2 financial report, check findings, and the impacts of adopting IFRS 9 and IFRS 16, and explains the responsibility of the review personnel to audit the financial report.</li> <li>2. The CPAs explained and communicated with the Audit Committee on accounting treatment and impact of changes in the mid-term tax rate.</li> <li>3. The CPAs introduced the important issues about the amendment of the "Company Act".</li> <li>4. The CPAs explained the issues raised by the members of Audit Committee.</li> </ol>
2018/11/09	4 <sup>th</sup> Audit Committee	<ol style="list-style-type: none"> <li>1. The CPAs reported the scope of 2018Q3 financial report, check findings, and explains the responsibility of the review personnel to audit the financial report.</li> <li>2. The CPAs explained and communicated with the Audit Committee on the impact of the IFRS 16 which will be adopted in 2019.</li> <li>3. The CPAs reported the audit planning of 2018Q4 financial report.</li> <li>4. The CPAs introduced the important issues about the amendment of the "Securities and Exchange Act" and "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".</li> <li>5. The CPAs explained the issues raised by the members of Audit Committee.</li> </ol>

