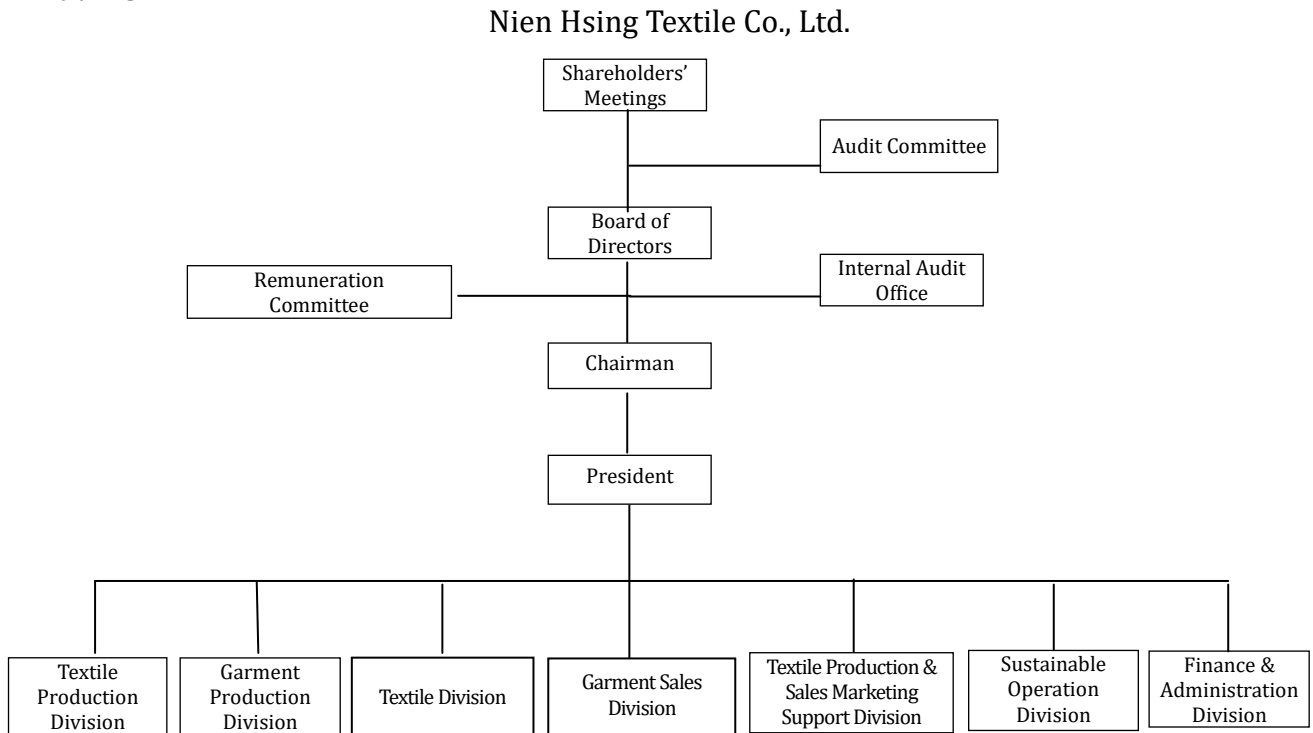


Corporate Governance Report

1. Organization

(1) Organizational structure:



(2) Main business of each department:

Name of department		Duties
Internal Audit Office		Internal control and internal audit
Textile Production Division	Research and Development Department	Research and development
	Houlong Textile Factory	Spinning, dyeing and weaving, dyeing and finish, and engineering
	Mexico Textile Factory	Spinning, dyeing and weaving, dyeing and finish, and engineering
	Lesotho Textile Factory	Spinning, dyeing and weaving, dyeing and finish, and engineering
Garment Production Division	Lesotho District	Garment production
	Vietnam District	Garment production
Textile Division	Textile Department	Sales and marketing of denim and ring-spin yarn
Garment Sales Division	Lesotho District	Sales and marketing of denim garment; production management
	Vietnam District	Sales and marketing of jeans garment; production management
	Purchasing Department	Garment procurement
Textile Production & Sales Marketing Support Division	Purchasing Section	Textile procurement
Sustainable Operation Division	Sustainable Environment Team	Chemical management, energy management, discharge of waste, and eco-friendly manufacturing process; human rights and occupational safety
Finance & Administration Division	Finance Department	Finance, accounting, shareholder service, investment and development
	Management Department	Administration, general affairs, human resource, shipping, information technologies

2. Information regarding Directors and executives

(1) Directors

1. Information regarding Directors

April 15, 2023

Title	Nationality or place of registration	Name	Gender Age	Date elected	Term of office	Date first elected	Shareholdings when elected		Current Shareholdings		Spouse and Minor shareholdings		Shareholdings by nominee arrangements		Major education and experience	Current positions at the company and other companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks (Note 12)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C	Panda Investment Co., Ltd.	-	June 23, 2022 (June 23, 2022)	1 years	June 23, 2022 (Note 1)	24,493,129	11.83%	28,892,146	13.99%	Not applicable.	Not applicable.	0	0%	Not applicable.	Not applicable.	Not applicable.			None
	R.O.C	Representative: Wei-Han Chen	Male 24	June 23, 2022 (June 23, 2022)	1 years	June 23, 2022 (Note 1)	0	0%	0	0%	0	0%	0	0%	Department of Business Administration and Sport Management, Southern Methodist University	Note 2	None			None
Director	R.O.C	Shu-Hsuan Tsai	Male 56	June 16, 2020 (June 16, 2020)	3 years	May 13, 2003	24,150	0.01%	24,150	0.01%	698,000	0.34%	0	0%	Senior Auditor, Deloitte & Touche Finance Manager, Chih Hsing Textile Co., Ltd. Department of Accounting, Soochow University	Note 3	None			None
Director	R.O.C	Chu Chen Investment Co., Ltd.	-	June 16, 2020 (June 16, 2020)	3 years	June 14, 2006 (Note 4)	9,253,292	4.67%	9,253,292	4.48%	Not applicable.	Not applicable.	0	0%	Not applicable.	Not applicable.	Not applicable.			None
	R.O.C	Representative: Jen-Chou Chen	Male 46	June 16, 2020 (June 16, 2020)	3 years	May 13, 2003 (Note 5)	127,827	0.06%	127,827	0.06%	669	0%	0	0%	Researcher, Barits Securities Corporation Department of Business Administration, University of Southern California	Note 5	None			None
Director	R.O.C	Tai-Yuan Chou	Male 51	June 16, 2020 (June 16, 2020)	3 years	June 15, 2015	0	0%	0	0%	0	0%	0	0%	Semi-Senior Auditor, Deloitte & Touche Department of Accounting, Tamkang University	Note 6	None			None
Director	R.O.C	Shih-Kuen Hwang	Male 74	June 16, 2020 (June 16, 2020)	3 years	March 26, 1992 (Note 7)	259,602	0.13%	259,602	0.13%	36,599	0.02%	0	0%	President of Textile Business Department, Nien Hsing Textile Co. Ltd. Team Leader, Tai Yuen Textile Co., Ltd. Department of Textile Engineering, Feng Chia University		None			None

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Title	Nationality or place of registration	Name	Gender Age	Date elected	Term of office	Date first elected	Shareholdings when elected		Current Shareholdings		Spouse and Minor shareholdings		Shareholdings by nominee arrangements		Major Education and Experience	Current Positions at the Company and Other Companies	Executives or Directors who are spouses or within two degrees of kinship			Remarks (Note 12)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C	Rong-Hwa Fang	Male 64	June 16, 2020 (June 16, 2020)	3 years	June 16, 2020	0	0%	0	0%	0	0%	0	0%	Associate Vice President in American and African District, Nien Hsing Textile Co. Ltd Command and General Staff College, Republic of Guatemala	Note 8	None			None
Independent Director	R.O.C	Chu-Feng Yang	Male 61	June 16, 2020 (June 16, 2020)	3 years	June 16, 2020	0	0%	0	0%	0	0%	0	0%	CPA, ACCPRO&Co., CPAs Department of Business Administration, National Cheng Kung University	Note 9	None			None
Independent Director	R.O.C	Chia-Hong Hung	Male 63	June 16, 2020 (June 16, 2020)	3 years	March 13, 2000	395	0%	0	0%	0	0%	0	0%	Lawyer, Honga Law Firm The 23rd Term of the Academy for the Judiciary	Note 10	None			None
Independent Director	R.O.C	Wen-Hsiung Chan	Male 52	June 16, 2020 (June 16, 2020)	3 years	June 16, 2020	0	0%	0	0%	0	0%	0	0%	Chairman and President, iCatch Technology Inc. Chairman, eChem Solutions Corp. International Business Management, National Taiwan University	Note 11	None			None

- Note: 1. Panda Investment Co., Ltd. was elected as a Director in the re-election on June 23, 2022, and elected by the Board of Directors as the Chairman; Wei-Han Chen is appointed as the representative.
2. Chairman of Nien Hsing International Investment Co., Ltd, Nien Hsing International (B.V.I.) Ltd., Nien Hsing International (Bermuda) Ltd., Nien Hsing International (Samoa) Ltd., and Phoenix Development & Marketing Co., Ltd.
3. President of Nien Hsing Textile Co., Ltd.; Director of Nien Hsing International Investment Co., Ltd, Nien Hsing International (B.V.I.) Ltd., Nien Hsing International (Bermuda) Ltd., Nien Hsing International (Samoa) Ltd., Phoenix Development & Marketing Co., Ltd., Formosa Textile Company (Proprietary) Limited, C&Y Garment Company (Pty) Ltd., Nien Hsing International Lesotho (Proprietary) Limited, Global Garments Company (Proprietary) Limited, and Glory International (Pty) Ltd.
4. Chu Chen Investment Co., Ltd. was elected as a Supervisor on June 14, 2006, until it was elected as a Director in the re-election on June 16, 2020.
5. Jen-Chou Chen was elected as a Director on May 13, 2003 until the re-election on June 16, 2020; he was then appointed as a Director as the representative of Chu Chen Investment Co., Ltd.; Associate Vice President, Textile Division of Nien Hsing Textile Co., Ltd.; Director of Nien Hsing International Investment Co., Ltd, Sheng Zhou Investment Co., Ltd, and Chu Chen Investment Co., Ltd.; Supervisor of Jing-Hsia Investment Co., Ltd.
6. Associate Vice President, Textile Production & Sales Marketing Support Division of Nien Hsing Textile Co. Ltd.; Director of Nien Hsing International (B.V.I.) Ltd., Nien Hsing International (Bermuda) Ltd., Nien Hsing International (Samoa) Ltd., and Phoenix Development & Marketing Co., Ltd.; Supervisor of Nien Hsing International Investment Co., Ltd.
7. Shih-Kuen Hwang was elected as a Director on March 26, 1992 and discharged upon the end of his term of office on June 15, 2012; he was elected as a Director in the re-election on June 12, 2018.
8. Associate Vice President, Textile Production Division of Nien Hsing Textile Co. Ltd.
9. CPA at ACCPRO Accounting Firm; Supervisor of Star Era International Co., Ltd.
10. Lawyer and Head of Honga Law Firm; Chairman of Justice and Human Rights Foundation; Director of Maria Social Welfare Foundation. Chia-Hong Hung was elected as a Supervisor on March 13, 2000, and elected as a Director in the re-election on June 14, 2006 and discharged upon the end of his term of office on June 15, 2012; he was elected as an Independent Director in the re-election on June 16, 2020.
11. Independent Director of Biostar Microtech International Corp. and Champion Microelectronic Corp.; Director of iCatch Technology, Inc., Sunplus Technology Co., Ltd., eChem Solutions Corp., Yen Wen Asset Management Consulting Co., Ltd.; Representative of Corporate Director of eChem Solutions Corp., Ability Enterprise Co., Ltd., Opals Chemical Technology Ltd., Oleader Technologies Co., Ltd., and Hiyes International Co., Ltd.
12. When the Company's Chairman and the President or an officer of equivalent position (the most senior manager) are the same person, spouses, or within the first degree of kinship, the reason, rationality, necessity and countermeasure shall be disclosed (e.g., increasing the number of Independent Directors and ensuring that a majority of directors do not concurrently serve as an employee or executive).

(2) Information on the President, Vice President, Associate Vice Presidents, and Officers of departments and branches:

April 15, 2023

Job title	Nationality	Name	Gender	Date elected	Shareholdings		Shareholdings of spouse & minor children		Shareholdings by nominee arrangement		Major education and experience	Current positions at other companies	Executives who are spouses or relatives within the second degree of kinship			Remarks (Note 5)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President	R.O.C	Shu-Hsuan Tsai	Male	April 1, 2015	24,150	0.01%	698,000	0.34%	0	0%	Senior Auditor, Deloitte & Touche Finance Manager, Chih Hsing Textile Co., Ltd. Department of Accounting, Soochow University	Note 1	None			None
Textile Production & Sales Marketing Support Division Associate Vice President	R.O.C	Tai-Yuan Chou	Male	November 8, 2018	0	0%	0	0%	0	0%	Semi-Senior Auditor, Deloitte & Touche Department of Accounting, Tamkang University	Note 2	None			None
Textile Division Associate Vice President	R.O.C	Jen-Chou Chen	Male	July 1, 2020	127,827	0.06%	669	0%	0	0%	Researcher, Barits Securities Corporation Department of Business Administration, University of Southern California	Note 3	None			None
Textile Division Associate Vice President	U.S.	Shu-Hua Hsu	Male	July 1, 2020	0	0%	0	0%	0	0%	Sales, Formosa Blue Way Jean Co., Ltd. Department of Mechanical Engineering, Rutgers, the State University of New Jersey	None	None			None
Textile Production Division Associate Vice President	R.O.C	Rong-Hwa Fang	Male	November 8, 2018	0	0%	0	0%	0	0%	Class 1994, Command and General Staff College, Republic of Guatemala Class 1981, R.O.C. Military Academy	None	None			None
Finance & Administration Division Manager (Accounting Officer, Finance Officer, Corporate Governance Officer)	R.O.C	En-Tzu Liu	Female	March 15, 2019	0	0%	0	0%	0	0%	Assistant Manager, Deloitte & Touche Master, Department of Accounting, National Taiwan University	Note 4	None			None

Note 1: President of Nien Hsing Textile Co., Ltd.; Director of Nien Hsing International Investment Co., Ltd, Nien Hsing International (B.V.I.) Ltd., Nien Hsing International (Bermuda) Ltd., Nien Hsing International (Samoa) Ltd., Phoenix Development & Marketing Co., Ltd., Formosa Textile Company (Proprietary) Limited, C&Y Garment Company (Pty) Ltd., Nien Hsing International Lesotho (Proprietary) Limited, Global Garments Company (Proprietary) Limited, Glory International (Pty) Ltd.

Note 2: Associate Vice President, Textile Production & Sales Marketing Support Division of Nien Hsing Textile Co., Ltd.; Director of Nien Hsing International (B.V.I.) Ltd., Nien Hsing International (Bermuda) Ltd., Nien Hsing International (Samoa) Ltd., Phoenix Development & Marketing Co., Ltd.; Supervisor of Nien Hsing International Investment Co., Ltd.

Note 3: Associate Vice President, Textile Division of Nien Hsing Textile Co., Ltd.; Director of Nien Hsing International Investment Co., Ltd, Sheng Zhou Investment Co., Ltd, and Chu Chen Investment Co., Ltd.; Supervisor of Jing-Hsia Investment Co., Ltd.

Note 4: Representative of corporate Directors of Mycenax Biotech Inc. and BioGend Therapeutics Co., Ltd.

Note 5: When the Company's Chairman and the President or an officer of equivalent position (the most senior manager) are the same person, spouses, or within the first degree of kinship, the reason, rationality, necessity and countermeasure shall be disclosed (e.g., increasing the number of Independent Directors and ensuring that a majority of directors do not concurrently serve as an employee or executive).