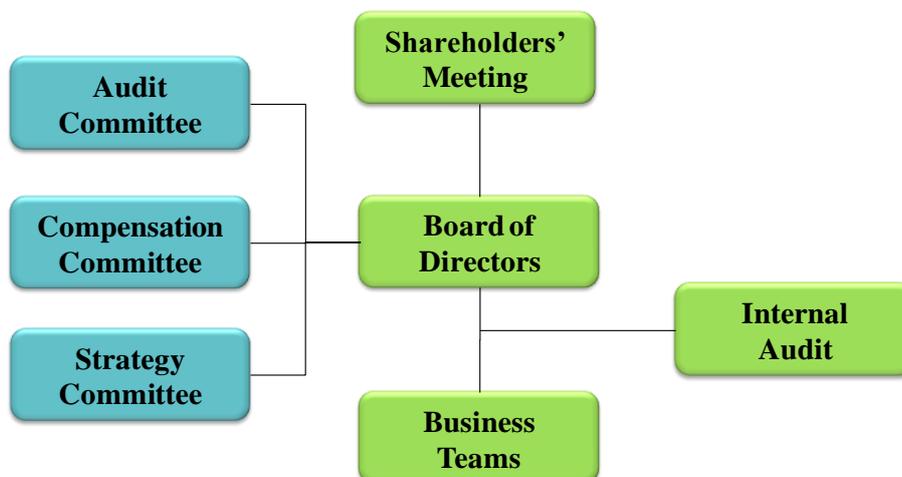


Corporate Governance Board of Directors Responsibilities

We emphasize transparency and effective corporate governance. We have drafted a corporate governance framework and implementation practices in accordance with the ROC Company Act, Securities and Exchange Act, and other relevant laws and regulations. We are continuing to improve our management performance, while safeguarding the rights and interests of investors and other stakeholders.

Our specific corporate governance actions have included the establishment of independent directors and an audit committee, and we emphasize that information disclosure must comply with the principles of completeness, timeliness, fairness, and transparency principles. Apart from announcing our financial information, financial statements, annual reports and other major news on the Taiwan Stock Exchange's Market Observation Post System, we also enable domestic and foreign investors to view relevant information on our corporate website(www.liteon.com). We will continue to pursue

good corporate governance and the transparency, timeliness, and fairness of financial information disclosure. In 2010, we received a grade of A in the Institute of Securities & Futures Markets Development's Information Disclosure Assessment Activity.



Board of Directors Responsibilities

Lite-On Technology's board consists of 11 directors. All directors are selected by voting by shareholders. Seven of the directors represent institutional investors, namely Yuan Tai Investment, Tuo Chia Investment, Ta Sung Investment, and Yuan Bao Development, and there are also three independent directors. The board's responsibilities include supervision, appointment, and guidance of corporate management, and the board is also responsible for strengthening the company's overall operations, supervisory mechanisms, and management capabilities, and must strive to maximize stockholder's equity.

In accordance with Article 20-1 of this company's Articles of Incorporation, the board is authorized to set directors' compensation on the basis of domestic and foreign industry standards in order to

reflect directors' degree of participation in company operations and the value of their contributions. In addition, the compensation of directors (including supervisors) must be correlated with annual earnings. In accordance with Article 24 of the Articles of Incorporation, directors' compensation may not exceed 1.5% of distributed earnings, which ensures that ample earnings are distributed to employees and shareholders.

With regard to guidance of corporate management, this company has implemented a training program for the management hierarchy since the second half of 2009. The goal of this program is to identify successful leadership models, and thereby develop an assessment tool for evaluating managers' leadership functions, gaining a better understanding of their individual capabilities, and examining the differences between successful models.

Audit Committee Responsibilities

Lite-On did even better than regulation requirements law by establishing an audit committee in 2007. The audit committee, which replaces a supervisor system, plays a supervisory role in regard to the various aspects of corporate governance and corporate operation development, and also provides material assistance.

In accordance with the company's Audit Committee Organizational Rules, the audit committee is composed of all independent directors, at least one of whom must possess professional accounting or financial skills. Furthermore, in accordance with Article 11 of the Audit Committee Organizational Rules, independent directors must recuse themselves concerning any matters in which they have a personal interest and may possibly be detrimental to the company's interests.

The chief responsibilities of the audit committee consisted of supervising the proper compilation of the company's financial statements, selection (dismissal) of auditing CPA, evaluation of CPA's independence and performance, effective implementation of internal controls, monitoring of the company's compliance with relevant laws and regulations, and control of the company's existence or potential risks.

Compensation Committee Responsibilities

In order to continue to strengthen corporate governance and adopt international standards, Lite-On Technology established a compensation committee in 2009. The compensation committee receives its authorization from the board, supervises and reviews the company's overall compensation policy and plans, and possesses the right to make resolutions. We possess the sole compensation committee at any listed company in Taiwan, and also have the only highly-authorized compensation committee system. We are thus a benchmark firm in domestic corporate governance.

The compensation committee's supervisory scope encompasses the compensation of the chairman, high-level management, and management personnel, and is also responsible for the planning of employee incentives and bonuses. The six members of the compensation committee include three independent directors, Chairman Raymond Soong, Group CEO David Lin, and Lite-On Technology CEO KC Terng. Of these, only the three independent directors possess the right of resolution, which

ensures the independence, professionalism, and fairness of the compensation committee, and avoids possible conflict of interest between committee members and the company.

According to this company's Compensation Committee Organizational Rules, the compensation committee must meet at least once every six months. The compensation committee met twice during 2009. The compensation committee has the following responsibilities:

1. In order to attract, motivate, and retain professional manpower needed by the company, this committee must review the company's compensation policies and plans on an annual basis.
2. With authorization from the board, the committee reviews and determines the compensation of the chairman, CEO, vice presidents, and general managers on an annual basis.
3. With authorization from the board, the committee reviews and rules on managerial compensation cases submitted by the general manager, including: salaries, bonuses, employee profit-sharing, employee stock options, and other bonuses and incentives.

Strategy Committee Responsibilities

In order to strengthen and accelerate the growth strategies of Lite-On Technology Corporation, Strategy Committee was founded in 2010, which is authorized by the Board of Directors. It guides the overall growth strategies of the company and the group, and pre-views significant investment plans of the company and the group. The scope directed and assisted by Lite-On Strategy Committee includes Lite-On Tech., Lite-On's branch companies, and some specific business divisions. The committee is composed of at least 5 directors of the company. Among them, the convener is the vice chairman, David Lin. The convener and committee members are appointed by the Board of Directors. If necessary, the company can hire external consultants who provide the members of the committee with advisory opinions. External consultants will not participate in the decision making process.