

Rules Governing the Scope of Powers of Independent Directors

Article 1

To ensure good corporate governance and establish a sound independent director system, these Rules are adopted pursuant to Article 26, paragraph 1 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Application for these Rules, except as otherwise provided by law and regulation or by the articles of the company, matters concerning the duties of independent directors of the company shall be as set out in these Rules.

Article 3

When the board meeting holds, there shall be at least one independent director attending. The following matters shall be submitted to the board of directors for resolution, and shall all the independent directors attend. If any independent director is unable to attend in person, the independent director may appoint another independent director as proxy to attend the meeting. When an independent director objects to or expresses reservations about any of the matters, it shall be recorded in the board meeting minutes. If an independent director intends to express an objection or reservations but is unable to attend the board meeting in person. Unless there is a legitimate reason to do otherwise, the independent director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes:

1. Business plan of company
2. Annual financial reports.
3. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
4. The adoption or amendment to the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act.
5. Matters in which a director is an interested party.
6. Asset transactions or derivatives trading of a material nature.
7. Loans of funds, endorsements, or provision of guarantees of a material nature.
8. The offering, issuance, or private placement of equity-type securities.
9. The appointment or discharge of certified public accountant and their compensation.
10. The appointment or discharge of financial, accounting, or internal audit officers.

11. A donation to a related party or a major donation to a non-related party provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
12. Other matters required by law, regulation, or the articles of company to be approved by resolution at a shareholders meeting or a board meeting, or any matter of a material nature as prescribed by the competent authority.

The term "related party" in paragraph 11 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. "Major donation to non-related party" refers to any individual donation, or cumulative donations within one year to a single recipient, at an amount of NT\$100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA attested financial report in recent year. "Within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

Article 4

The company shall take out liability insurance for its independent directors.

Article 5

The company shall set the remuneration of the independent directors in its articles of company or by a resolution of a shareholders meeting, and may consider providing a reasonable level of remuneration different from ordinary directors. The company may also consider providing remuneration for independent directors of a fixed monthly salary, rather than as distributions from the earnings of the company in accordance with applicable law.

Article 6

All independent directors of the company shall pursue continuing education including relevant training courses as required.

Article 7

Neither the company nor other board members may obstruct, refuse, or evade the actions of independent directors in the performance of their duties. As they deem necessary to performing those duties, independent directors may request the board to appoint relevant personnel or to hire professionals for assistance.

Any expenses necessary to the hiring of professionals or the exercise of powers by the independent directors under the preceding paragraph shall be borne by the company.

Article 8

These Rules and any amendments hereto, shall be implemented after adoption by the board of directors.

Article 9

These rules were established and passed on 13 August 2010 board of directors meeting, and the second amendment was in December, 2017.