



## **Rules of Procedure for Board of Directors Meetings**

### **Article 1 (Basis for the adoption of these Rules)**

To establish a strong governance system and sound supervisory capabilities for this Corporation's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

### **Article 2 (Scope of these Rules)**

With respect to the board of directors meetings ("board meetings") of this Corporation, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.

### **Article 3 (Principles of Board Authorization)**

The Board of Directors of the Company shall, in addition to the first item in Article 8, discuss matters discussed by the Board of Directors, and authorize the chairman of the board of directors to exercise the powers of the Board during the adjournment of the Board according to the law or the Articles of Association. The authorization is as follows:

First, according to the company's mandate to authorize the way.

Second, according to company management rules, regulations and methods.

Third, transfer the company directors and supervisors assigned.

Fourth, other relevant laws and decrees otherwise stipulated, should be in accordance with its provisions.

### **Article 4 (Convening and notice of board meetings)**

The board of directors shall meet at least quarterly.

A notice of the reasons for convening a board meeting shall be given to each director and supervisor 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.

The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.

All matters set forth under Article 8, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.

### **Article 5 (Principles of the Place and Time of the Board Meeting)**

The location and timing of the holding of the board of directors of the Company should be at the location and time of the Company's premises and business hours or for the attendance of the Directors and suits the holding of the Board.



Article 6 (Meeting notification and meeting materials)

The designated unit responsible for the board meetings of this Corporation shall be Chairman Office. .

The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.

A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 7: (Proceedings)

The agenda of the regular board of directors of the Company includes at least the following:

First, the report matters:

- (1) Record of the last meeting and its implementation.
- (B) important financial business report.
- (C) internal audit business report.
- (D) other important matters to be reported.

Second, discuss matters:

- (1) Discussion items reserved at the previous meeting.
- (B) the meeting scheduled to discuss matters.

Third, the provisional move.

Article 8 (Preparation of attendance book and other documents; attendance by proxy)

When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with this Corporation's articles of incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 6 (Principles for determining the place and time of a board meeting)



A board meeting shall be held at the premises and during the business hours of this Corporation, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7 (Chair and acting chair of a board meeting)

Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

Article 8: (The Board of Directors shall discuss matters to be discussed)

The following matters should be discussed by the board of directors:

1. the company's operating plan.
2. the annual financial report and semi-annual financial report. However, the semi-annual financial report according to the law does not require certified public accountants to check visas, except in this case.
3. according to the provisions of Article 14 of the Securities Exchange Act, the internal control system is formulated or revised and the effectiveness of the internal control system checked.
4. in accordance with the provisions of Article 36 of the Securities Exchange Act, it stipulates the procedures for handling major financial businesses that acquire or dispose of assets, engage in derivatives transactions, lend money to others, endorse or provide assurances to others.
5. raise, issue or private equity securities of the nature.
6. financial, accounting or internal audit director appointment and removal.
7. the relationship between the donations or non-party donations. However, due to major natural disasters for emergency relief assistance to the nature of donations, the next board of directors may be ratified.
8. In accordance with Article 14 of the Securities Exchange Act, other matters stipulated in laws or articles of association, which shall be decided by the shareholders' meeting or by the board of directors or as stipulated by the competent authority.



The term "related party" as mentioned in Paragraph 7 of the preceding Paragraph means the person (s) in relation to the guidelines for the preparation of the financial statements of the securities issuer; the so-called "substantial donation to non-related parties" refers to the amount of each donation or the amount donated to the same subject within one year NT \$ 100 million or more, or up to 1% of the net operating income in the financial report of the accountant visas issued in recent years or more than 5% of the paid-up capital.

Within one year as mentioned in the preceding paragraph, based on the date of this board meeting, one year is retroactively estimated and the part passed by the board of directors has been approved to be exempt from re-counting.

The non-denomination or non-denomination of NT \$ 10 per share of a foreign company's stock, and the second amount of 5% of the paid-in capital, is calculated at 2.5% of shareholders' equity.

Article 9: (Independent directors should attend the discussion items expressing opinions in person)

Independent directors of the Company shall have at least one chairman personally present at the board meeting. For the first clause of Article 8, the board of directors shall propose the resolutions, all independent directors shall attend the board meeting. If independent directors are unable to attend in person, they shall be appointed by other independent directors.

Any objection or reservation by an independent director shall be recorded in the minutes of the board of directors. If an independent director fails to attend the directorate meeting in person, he / she shall have written opinions in writing and have stated in the minutes of the minutes of the board of directors .

Article 10: (the signing of documents and other directors and commissioned to attend)

When holding the board of directors of the Company, a copy of the signature book shall be set for the attendance of the attending directors and for examination.

The directors should attend the board meetings in person. If they can not attend the meetings in person, they may entrust other directors to attend the meetings in accordance with the articles of association of the company. If they participate in the meetings by videoconferencing, they are deemed to attend in person.

When entrusting other directors to attend the board meeting, the director shall issue the power of attorney each time and list the scope of authority for convening the cause.

The second agent, subject to the commission of one person.

Article 11: (Chairman of the Board and the agent)

The board of directors of the Company is convened and chaired by the chairman. However, the first board meeting of each session shall be convened by the



directors with the largest number of votes cast by the votes cast by the shareholders' meeting. The chairman of the meeting shall be the chairman of the meeting and the chairman of the meeting shall be the one who holds the right to vote.

When the chairman of the board of directors leaves for a holiday or can not exercise his or her power for any reason, the chairman of the board of directors appoints one of the directors and the chairman of the board of directors does not appoint the deputy.

#### Article 12: (Board Reference Materials and Attendants)

When the board of directors of the Company convenes, the chairman's office shall prepare the relevant materials for the inspection of the directors attending the meeting at any time.

The board of directors shall be convoked with the contents of the motion to inform the personnel of relevant departments or subsidiaries to attend the report and answer questions raised by the directors so that the board of directors can make appropriate resolutions. If necessary, accountants, solicitors or other professionals may also be invited to attend the meeting and explanation. However, they should leave the meeting for discussion and voting.

#### Article 13: (Board Meeting Held)

When the chairman of the board of directors has attended the meeting and a majority of the directors present, he shall adjourn the meeting.

When the meeting has been held for more than half of all directors, the chairman may announce the postponement of the meeting and the delay shall be twice the limit. If the second delay is still not enough, the chairman may be called again according to the procedure set out in the second paragraph of Article 4.

All the directors mentioned in the preceding paragraph shall be calculated based on the actual incumbent.

#### Article 14: (Discussion of the motion)

The board meeting of the Company shall be conducted in accordance with the procedure as set out in the notice of the meeting but subject to the approval of a majority of the directors present, such changes may be made.

Unless otherwise agreed by a majority of the directors present, the chairman may not adjourned the meeting by announcement.

If any of the directors in attendance is less than half of the number of directors present, the chairman shall announce the suspension of the meeting and apply for the provisions of the second paragraph of Article 13 if proposed by the attending directors.

If the proposals of the board of directors are controversial, they shall be fully discussed between the directors and the chairman shall be entitled to a vote.



Article 15: (Statements made by the directors and the chairman's directorate)

After attending the directors' speeches, the chairman may personally or specifically nominate the relevant person to answer or appoint professionals to attend to provide necessary and relevant information.

In the event that a director repeatedly speaks on the same motion and speaks beyond the issue, it may affect other directors' speech or obstruct the proceeding, and the chairman may put an end to his speech.

Article 16 (Voting—I)

When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.
4. A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 17 (Voting—II and methods for vote monitoring and counting)

Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.



#### Article 18 (Recusal system for directors)

If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, paragraph 3 of the same Act.

#### Article 19 (Meeting minutes and sign-in matters)

Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.



The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of this Corporation.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

**Article 20** (Recording of sound recordings or video recording of meetings of the board of directors)

The board meeting of the Company shall be recorded or videotape for the entire duration of the meeting and shall be kept for at least five years and be preserved electronically.

Before the expiration of the retention period of the preceding paragraph, in the event of a lawsuit concerning the relevant matters resolved by the Board of Directors, the relevant audio recording or video evidence shall be kept until the conclusion of the litigation.

A video conferencing convener whose video and audio materials are part of the minutes of the meeting shall be properly kept during the existence of the company.

**Article 21**

These Rules of Procedure were adopted by the Board of Directors on March 15, 2004. First Amendment, January 24, 2007. Second Amendment, February 1, 2008. Third Amendment, October 30, 2012. Fourth Amendment on July 29, 2015. Fifth Amendment on November 8, 2017.