

Rules of Procedure for Board Meetings

1. Purpose and Basis

To establish sound board governance practices, improve oversight functions, and strengthen management capabilities, these regulations are hereby enacted in accordance with Article 2 of the “Rules of Procedure for Board Meetings of Publicly Traded Companies” for compliance.

2. Scope of Application

The rules of procedure for the Company’ s Board of Directors—including the main agenda items, operational procedures, matters to be included in the minutes, public announcements, and other requirements—shall be handled in accordance with the provisions of these regulations.

3. Convening of the Board of Directors and Meeting Notices

The Company’ s Board of Directors shall convene at least once per quarter.

The convening of a Board of Directors meeting shall specify the agenda and be notified to each director at least seven days in advance; however, in the event of an emergency, a meeting may be convened at any time.

Notices convening Board meetings may be issued in writing, by fax, or by email.

The matters listed in each subparagraph of Paragraph 1 of Article 12 of these Rules shall be enumerated in the notice of convening and may not be proposed as a motion arising from current business.

4. Meeting Materials

The Company’ s Board of Directors designates the Finance and Accounting Department of the General Administration Office as the unit

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responsible for handling meeting affairs.

The unit in charge of meeting affairs shall draft the agenda for the Board of Directors meeting and provide sufficient meeting materials, which shall be sent together with the notice of convening.

If a director deems the meeting materials insufficient, he or she may request the administrative unit to supplement them. If a director deems the materials for an agenda item insufficient, the deliberation may be postponed upon resolution by the Board of Directors.

5. Provision of Documents Such as the Sign-in Sheet and Proxy Attendance by Directors

When a Board of Directors meeting of the Company is convened, a sign-in sheet shall be provided for attending directors to sign in for reference purposes.

Directors shall attend Board meetings in person; if unable to do so, they may appoint another director to attend on their behalf in accordance with the Company's Articles of Incorporation.

When a director authorizes another director to attend a Board meeting on his or her behalf, a written proxy must be issued for each meeting, specifying the scope of authority regarding the matter for which the meeting was convened; participation via videoconference shall be deemed equivalent to personal attendance.

A proxy referred to in Paragraph 2 may be appointed by only one person.

6. Principles Governing the Time and Place of Board Meetings

The location and time of the Company's Board of Directors meetings shall be at the Company's registered office during business hours, or at a location and time convenient for directors to attend and suitable for holding Board meetings.

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7. Chairperson of the Board of Directors and Deputy Chairperson

When the Board of Directors of the Company is convened by the Chairman, the Chairman shall preside as Chairperson. However, for the first Board meeting of each term, if the meeting is convened by the director who received the most votes at the shareholders' meeting, that person shall preside as Chairperson; if there are two or more persons with the right to convene the meeting, they shall elect one among themselves to serve as Chairperson.

Where the Board of Directors is convened by a majority of the directors pursuant to Paragraph 4 of Article 203 or Paragraph 3 of Article 203-1 of the Company Law, the directors shall elect one of their number to serve as Chairperson.

If the Chairman is on leave or otherwise unable to perform his or her duties, the Vice Chairman shall act as his or her proxy. If there is no Vice Chairman, or if the Vice Chairman is also on leave or otherwise unable to perform his or her duties, the Chairman shall designate one Executive Director to act as his or her proxy; if there are no Executive Directors, the Chairman shall designate one Director to act as his or her proxy. If the Chairman fails to designate a proxy, the Executive Directors or Directors shall elect one of their number to act as his or her proxy.

8. Board Reference Materials, Attendees, and Convening and Adjournment of Board Meetings

When the Company's Board of Directors convenes, the management department (or the administrative unit designated by the Board) shall prepare relevant materials for the directors in attendance to review at any time.

When convening a Board of Directors meeting, personnel from relevant departments or subsidiaries may be notified to attend as observers, depending on the content of the agenda items.

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If necessary, certified public accountants, attorneys, or other professionals may be invited to attend the meeting and provide explanations; however, they shall leave the meeting during discussions and voting.

The Chair of the Board of Directors shall declare the meeting open as soon as the scheduled time arrives and a majority of the directors are present. If, at the scheduled time, less than half of all directors are present, the Chair may declare the meeting adjourned; such adjournments shall be limited to two, and the total duration of the adjournments shall not exceed one hour. If a quorum is still not present after two adjournments, the Chair may reconvene the meeting in accordance with the procedures set forth in Article 3, Paragraph 2.

The term “all directors” as used in the preceding paragraph refers to those who are actually in office.

9. Recording and Archiving of Board Meetings

The proceedings of the Company’ s Board of Directors meetings shall be fully audio-recorded for evidentiary purposes and retained for at least five years; such retention may be conducted electronically.

If litigation arises regarding matters resolved by the Board of Directors before the retention period specified in the preceding paragraph expires, the relevant audio recordings shall continue to be retained until the litigation is concluded.

10. Agenda

The agenda of the Company’ s regular Board of Directors meetings shall include, at a minimum, the following items:

1. Reports:

1. Minutes of the previous meeting and status of implementation.

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2. Important financial and operational reports.
3. Internal audit report.
4. Other important reports.
2. Items for Discussion:
 1. Items carried over from the previous meeting.
 2. Items scheduled for discussion at this meeting.
3. Motions for the Meeting.

11. Discussion of Proposals

The Company' s Board of Directors shall conduct its business in accordance with the agenda set forth in the meeting notice. However, the agenda may be amended with the consent of a majority of the directors present.

The Chairperson may not adjourn the meeting without the consent of a majority of the directors present.

If, during the course of a Board of Directors meeting, the number of directors present falls below a majority of the directors, the Chairperson shall, upon the motion of a director present, declare a recess, and the provisions of Article 8, Paragraph 5 shall apply *mutatis mutandis*.

12. Matters Subject to Discussion by the Board of Directors

The following matters shall be submitted to the Company' s Board of Directors for discussion:

1. The Company' s business plan.
2. Annual financial reports and second-quarter financial reports subject to audit and certification by certified public accountants.

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3. The establishment or revision of internal control systems in accordance with Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the “SEA”), and the assessment of the effectiveness of such internal control systems.
4. The establishment or amendment of procedures for handling major financial and business transactions—such as the acquisition or disposal of assets, engagement in derivative transactions, lending funds to others, or providing endorsements or guarantees for others—in accordance with Article 36-1 of the Securities and Exchange Act.
5. Raising, issuing, or privately placing equity securities.
6. Where the board of directors has not appointed an executive director, the election or removal of the chairman.
7. The appointment and removal of the heads of finance, accounting, or internal audit.
8. Recommendations by the Compensation Committee regarding the compensation of directors and executives.
9. Donations to related parties or significant donations to non-related parties. However, donations of a public welfare nature made for emergency relief due to major natural disasters may be submitted for ratification at the next Board of Directors meeting.
10. Matters required by Article 14-3 of the Securities and Exchange Act, other matters required by laws, regulations, or the Articles of Incorporation to be resolved by the shareholders’ meeting or the board of directors, or major matters specified by the competent authority.

The term “related party” as used in subparagraph 8 of the preceding paragraph refers to related parties as defined in the Regulations Governing the Preparation of Financial Reports by

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Securities Issuers; the term “significant donation to a non-related party” refers to a donation where the amount of a single donation or the cumulative amount of donations to the same recipient within one year reaches NT\$100 million or more, or reaches one percent of the net operating revenue or five percent of the paid-in capital as stated in the most recent annual financial report certified by a certified public accountant.

The term “within one year” as used in the preceding paragraph shall be calculated retroactively for one year from the date of the current board meeting; matters already approved by a board resolution shall not be included in this calculation.

At least one independent director must be physically present at the board meeting; for matters requiring a board resolution under the first paragraph, all independent directors must be present at the board meeting. If an independent director is unable to attend in person, he or she shall appoint another independent director to attend on his or her behalf. If an independent director has objections or reservations, such views shall be recorded in the minutes of the board meeting; if an independent director is unable to attend the board meeting in person to express objections or reservations, unless there are valid reasons, he or she shall submit written opinions in advance, which shall be recorded in the minutes of the board meeting.

If the Board of Directors does not adopt or amends the Remuneration Committee’ s recommendations regarding the remuneration of directors and executives, such action shall require the attendance of at least two-thirds of all directors and the approval of a majority of the directors present; the resolution shall also state whether the remuneration approved by the Board is more favorable than the Remuneration Committee’ s recommendations.



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When the Chairperson deems that discussion of a motion has reached a stage where it is ready for a vote, the Chairperson may declare the discussion closed and put the motion to a vote.

When voting on resolutions at the Company' s Board of Directors meetings, if the Chairperson ascertains that all directors present have no objections, the resolution shall be deemed passed. If, upon the Chairperson' s inquiry, any director objects, the matter shall be put to a vote.

The Chairperson shall select one of the following methods of voting; however, if any attendee objects, the decision shall be made by a majority vote:

1. A show of hands.
2. Roll call vote.
3. Secret ballot.
4. A voting method selected by the Company.

The term "all directors present" as used in the preceding paragraph does not include directors who are prohibited from exercising voting rights pursuant to Article 15, Paragraph 1.

14. Voting (II) and Methods of Ballot Supervision and Counting

Resolutions on agenda items at the Company' s board of directors meetings shall, unless otherwise provided by the Securities and Exchange Act or the Company Act, be adopted with a majority of directors present and the consent of a majority of the directors present.

When there are amendments or substitute motions to the same motion, the Chair shall determine the order of voting on them together with the original motion. However, if one of the motions has been passed, the other motions shall be deemed rejected and no further vote shall be required.

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If it is necessary to appoint scrutineers and vote counters for the voting on a motion, the Chairperson shall designate them; however, scrutineers must be Directors.

The results of the vote shall be reported on the spot and recorded in the minutes.

15. Conflict of Interest Rules for Directors

If a director has a conflict of interest regarding a matter on the agenda that benefits the director personally or a legal entity represented by the director, the director shall disclose the material details of such conflict of interest at the relevant board meeting. If there is a risk that such conflict may harm the interests of the Company, the director shall not participate in the discussion or vote on the matter, shall recuse themselves from the discussion and voting, and shall not exercise voting rights on behalf of any other director.

If the spouse of a director, a blood relative within the second degree of kinship, or a company in a controlling-subordinate relationship with the director has a conflict of interest regarding the matters discussed at the meeting referred to in the preceding paragraph, the director shall be deemed to have a personal conflict of interest regarding such matters.

With regard to resolutions of the Company's Board of Directors, for directors who are prohibited from exercising their voting rights pursuant to the provisions of the preceding two paragraphs, the provisions of Article 180, Paragraph 2, as applied mutatis mutandis pursuant to Article 206, Paragraph 4, of the Company Act shall apply.

16. Minutes and Signatures



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Minutes shall be prepared for the proceedings of the Company' s Board of Directors, and such minutes shall accurately record the following matters:

1. The session (or annual meeting) number, date, time, and location of the meeting.
2. The name of the chairperson.
3. Attendance of directors, including the names and number of those present, on leave, and absent.
4. The names and titles of those in attendance.
5. The name of the person taking the minutes.
6. Items reported.
7. Matters discussed: the method and results of resolutions on each agenda item; summaries of remarks made by directors, experts, and other personnel; the names of directors with conflicts of interest as defined in Paragraph 1 of the preceding Article; an explanation of the material details of such conflicts of interest; the reasons for recusal or non-recusal; instances of recusal; any recorded or written statements of opposition or reservations; and written opinions issued by independent directors pursuant to Paragraph 5 of Article 12.
8. Motions Made During the Meeting: The name of the proposer; the method of resolution and results of the motion; summaries of remarks made by directors, experts, and other personnel; the names of directors with conflicts of interest as defined in Paragraph 1 of the preceding Article; an explanation of the material details of such conflicts of interest; the reasons for recusal or non-recusal; the circumstances of recusal; and any dissenting or reserved opinions that have been recorded or stated in writing.

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9. Other matters to be recorded.

If any of the following circumstances apply to matters resolved at a board meeting, in addition to being recorded in the minutes, they must also be publicly announced and reported on the Public Information Observation Station designated by the Financial Supervisory Commission within two days of the board meeting:

1. An independent director has expressed an objection or reservation, and such objection or reservation is recorded or stated in writing.
2. The remuneration approved by the board of directors exceeds the recommendation of the Remuneration Committee.

The board attendance register forms part of the minutes and shall be properly preserved for the duration of the Company' s existence.

The minutes must be signed or stamped by the chairperson and the recording officer of the meeting and distributed to all directors within twenty days after the meeting. They shall also be included in the Company' s important records and properly preserved for the duration of the Company' s existence.

The preparation and distribution of the minutes referred to in Paragraph 1 may be conducted electronically.

17. Principles Governing Delegation of Authority by the Board of Directors

In addition to the matters required to be discussed by the Company' s Board of Directors under Paragraph 1 of Article 12, the Board of Directors shall, in accordance with laws and regulations or the Company' s Articles of Incorporation, authorize the Chairman to exercise the powers of the Board of Directors during recesses of the Board. The scope of such authorization shall include the following:

1. Matters specified in the Company' s "Procedures for the



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Acquisition or Disposal of Assets.”

2. Matters specified in the Company’ s “Procedures for Endorsements and Guarantees.”
3. Matters specified in the Company’ s “Operating Procedures for Lending Funds to Third Parties.”
4. Approval of the record dates for capital increases or decreases and for the distribution of cash dividends.
5. Authorization matters set forth in the Company’ s “Regulations on the Transfer of Repurchased Shares to Employees.”

18. Supplementary Provisions

The adoption of these Rules of Procedure shall be subject to the approval of the Company’ s Board of Directors and shall be reported to the General Meeting of Shareholders. Any future amendments to the authorization provisions shall be subject to the approval of the Audit Committee and shall be submitted to the Board of Directors for resolution.