

Convention Rules for Meetings of Board of Directors (Translation)

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- Article 1 : The rules (the Rules) are adopted pursuant to Article 26-3, paragraph 8 of the Securities Exchange Act and the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. The procedure of the Company's meeting of Board of directors ("Board Meeting(s)") shall follow the Rules.
- Article 2 : The Board Meetings shall be convened at least once a quarter. The reasons for calling the Board Meetings shall be notified to every director at least seven days in advance by mails, e-mails or fax. However, the Board Meetings may be convened at any time in emergency circumstances. The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof. All matters mentioned in the subparagraphs of Article 6, paragraph 1 shall be listed in the notices of the causes for calling the Board Meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reason.
- Article 3 : The Board Meetings shall be held at the location of the Company and during business hours of the Company, or at locations and times convenient to all directors and suitable for holding the Board Meetings.
- Article 4 : The finance division shall be the unit in charge of handling all matters related to the proceedings of the Meeting and shall be responsible for coordinating Meeting matters, preparing agenda items for the Meetings, and shall provide sufficient pre- Meeting materials, to be sent together with the notice of the Meetings. A director of the opinion that the pre-Meeting materials provided is insufficient in content may request the agenda working unit to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the Board of Directors
- Article 5 : Agenda items for regular Board Meetings shall include at least the following:
1. Reporting Items
 - (1) Minute of the last Board Meeting and resolution execution progress.
 - (2) Important operating and financial reports.
 - (3) Internal auditing reports.

- (4) Other important reporting items.
2. Discussion Items
 - (1) Items discussed and continued from last Board Meeting
 - (2) Items for discussion at this Board Meeting
3. Extraordinary Motions

Article 6 : The following items should be discussed in Board Meetings:

1. The Company's business plans.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Act, and an assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. 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.
8. Any matters required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matters as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 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 for the most recent year.

The term "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.

The Board Meetings shall be convened with at least one independent director attending each meeting in person. In the case of a meeting where a matter is required to be

submitted for resolution at the Board Meeting under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. An independent director intending to express objection or reservations but unable to attend the Board Meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the Board Meeting minutes.

Article 7 : Apart from matters referred to in paragraph 1 of the preceding article, which are required to be submitted for discussion by the board of directors, when a director delegates any exercise of his or her powers pursuant to laws or regulations or the company's articles of incorporation, matters such as the level and substance of the delegation shall be concretely and specifically set out.

Article 8 : When a meeting of the board of directors is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.

All board directors shall attend board meetings in person; if attendance in person is not possible, they may, pursuant to the Company's articles of incorporation, appoint another director to attend as their proxy. Attendance via tele- or video- conference is deemed as attendance in person.

A director appointing another director to attend a board meeting in his or her place shall in each case give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting.

A proxy under paragraph 2 may accept a proxy from one person only.

Article 9 : The Board Meetings are convened by the chairman who is also the chairperson of the Board Meetings. However, the first Board Meeting of each term of board of directors is convened and chaired by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected; if there are two or more directors so entitled to call the Board Meeting, they shall choose one person by and from among themselves to do so.

Article 10 : When holding a meeting of the board of directors, the Company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants.

When necessary, the company may also invite certificated public accounts, attorneys, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article11 : When the time of a meeting has arrived and one-half all board directors are not present, the chairperson may announce postponement of the meeting time, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chairperson shall re-call the meeting following the procedures provided in Article 2. The term "all board directors" as used in the preceding paragraph shall be calculated as the number of directors then in office.

Article12 : A board of directors meeting shall be conducted in accordance with predetermined order of agenda items as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting. The chairperson may not declare the meeting closed without the approval of a majority of directors present at the meeting. If at any time during the proceeding of a board of directors meeting the directors sitting at the meeting are less than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chairperson shall declare a suspension of meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis. The proceedings of the Board Meeting shall be conducted in a predetermined order of agenda items as stated in the meeting notice. The order may be changed, however, with the approval of a majority of directors present at the Board Meeting.

Article13 : When the chairperson at a board of directors meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chairperson may announce the discussion closed and bring the proposal matter to vote. When a proposal comes to a vote at a board of directors meeting, if upon inquiry by the chairperson to all directors present at the meeting and none voices an objection, the proposal is deemed approved. Except for a matter approval by method of upon chairperson's inquiry and no attended director voices an objection, the chairperson may appoint a counting staff to count the voting result, and all directors present at the meeting as monitoring persons as a voting method. "All directors present at the meeting" in the preceding two paragraphs does not include directors prohibited from exercising voting rights pursuant to Article 15, paragraph 1.

Article14 : Except as otherwise stated in the Rules or in the Company Act, a resolution on a proposal at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.

Article15 : If any director or a juristic person represented by a director is an interested party with respect to any proposal 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 interests of the company, the director may not participate in discussion or voting on that proposal item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

Article16 : Agenda discussions at the Board Meetings should be recorded in meeting minutes which shall record the following items:

1. Session, time and location of the meeting.
2. Name of the chairperson.
3. Attendance record of directors, including name and numbers of people present, excused, and absent.
4. Names and titles of people attending the meeting as nonvoting participants
5. Name of minutes taker.
6. Reporting items.
7. Discussion items: the method of resolution and the result for each proposal; a summary of the comments made by directors, 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 under Article 6, paragraph 2.
8. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, 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.
9. Other items required to be recorded.
Any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing in relation to a resolution passed at a Board Meeting shall be stated in the Meeting minutes and within two days of the Board Meeting be published on an information reporting website designated by the competent authority:

The attendance book forms a part of the minutes for each Board Meeting and shall be securely retained throughout the duration of the Company.

The minutes of a Board Meeting shall bear the signature or seal of both the Meeting chairperson and the minutes taker; a copy of the minutes shall be distributed to each director within twenty (20) days after the Meeting and well preserved as important company records during the existence of the Company.

The production and distribution of the Meeting minutes referred to in paragraph 1 may be done in electronic form.

Article17 : The Company shall record the entire proceedings of the Board Meeting in audio or video tape, and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period stated in the preceding paragraph a lawsuit arises with respect to the Board Meeting resolutions, related audio or video recordings shall be preserved continually until the lawsuit closes.

If the Board Meeting is held via teleconference, the audio or video recordings of the meeting form a part of the meeting minutes and shall be preserved as long as the Company exists.

Article18 : Any matters not provided in the Rules shall be handled in accordance with Company Act, Sysgration's Articles of Incorporation, and applicable laws and regulations.

Article19 : The promulgation and amendment of the Rules shall be approved by the Board of Directors.