

# Audit Committee Charter

Doc. Name	Audit Committee Charter
Date	Resolved by the Board of Directors on March 17, 2020
<p>1. Purpose and Interpretation</p> <p>1.1 The purpose of the Company's Audit Committee (the "Committee") Charter (the "Charter") is to improve our corporate governance and strengthen the professional functions of the Board of Directors.</p> <p>Matters not stipulated in this Charter shall be handled in accordance with the Company Act and the Applicable Public Company Rules (collectively, the "Acts").</p> <p>1.2 Unless otherwise defined in the Charter, capitalized terms herein shall have the same meaning as those in the Company's amended and restated Memorandum and Articles of Incorporation.</p> <p>1.3 The Committee is primarily responsible for the supervision of the following matters:</p> <ul style="list-style-type: none"> <li>(a) Fair presentation of the financial reports of the Company.</li> <li>(b) The hiring (and dismissal), independence, and performance of certificated public accountants.</li> <li>(c) The effective implementation of the internal control system of the Company.</li> <li>(d) Ensuring compliance with relevant laws and regulations by the Company.</li> <li>(e) Management of the existing or potential risks of the Company.</li> </ul> <p>2. Scope</p> <p>Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by the Company when the Committee exercises its powers shall be handled in accordance with the Charter.</p> <p>3. Operational Procedures</p> <p>3.1 Number, composition, and term of office</p> <p>3.1.1 The Committee is composed of all Independent Directors. The number of members shall not be less than three and one of them shall be the convener. At least one member shall possess accounting or financial expertise.</p> <p>3.1.2 The Committee's Independent Directors shall serve a term of three years, and may be eligible for re-election. If they are dismissed for any reason and the number of members fails to satisfy the preceding paragraph or the number stipulated in the Articles of Incorporation, new members shall be elected in the next shareholders' meeting to fill in the vacancies. In the event that all the Independent Directors are discharged or vacant, the Company shall convene an extraordinary shareholders' meeting to hold a by-election within 60 days from the date of occurrence of the event.</p>	

### 3.2 Committee Power

3.2.1 The powers of the Committee are as follows:

- (1) The adoption of or amendments to the internal control system.
- (2) Assessment of the effectiveness of the internal control system.
- (3) The adoption or amendment of 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.
- (4) Matters in which a director is an interested party.
- (5) Asset transactions or derivatives trading of a material nature.
- (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
- (7) The offering, issuance, or private placement of equity-type securities.
- (8) The hiring or dismissal of a certified public accountant, or their compensation.
- (9) The appointment or discharge of a financial, accounting, or internal audit officer.
- (10) Annual and semi-annual financial reports.
- (11) Other significant matters as required by the Company or the competent authority.

3.2.2 The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to the Board of Directors for a resolution.

3.2.3 Except for paragraph 3.2.1, subparagraph 10, in case it is not approved by the majority of the Committee members, approval shall be obtained from over two-thirds of all Directors.

3.2.4 "Asset transactions or derivatives trading of a material nature" mentioned in paragraph 3.2.1, subparagraph 5, refers to the assets or derivatives transactions that are subject to the approval of the Board of Directors according to laws and regulations or the Company's Procedures for Handling Acquisition and Disposal of Assets, Regulations Governing Derivative Transaction, and other regulations. "Loans of funds, endorsements, or provision of guarantees of a material nature" mentioned in paragraph 3.2.1, subparagraph 6 refers to the loaning of funds, endorsements/guarantees that are subject to the approval by the Board of Directors in accordance with the laws and regulations or procedures established by the Company.

3.2.5 All members or all Directors mentioned in the Charter shall be counted as the number of members actually in office at the given time.

3.2.6 The convener of the Committee shall represent the Committee to the public.

### 3.3 Notice of convening and meeting

3.3.1 The Committee shall convene at least once a quarter, and may call a meeting at its discretion whenever necessary.

3.3.2 A notice of the reasons for convening the meeting shall be given to each

Independent Director member at least 7 days in advance when calling a Committee meeting. In emergency circumstances, however, the meeting may be convened on shorter notice.

3.3.3 A member of the Committee shall be elected as the convener and meeting chair by and from the entire membership of the Committee. When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another Independent Director member of the Committee as acting convener; if the convener does not make such an appointment, one Independent Director member of the Committee shall be elected by and from the other Independent Director members of the Committee to serve as convener.

3.3.4 The Committee may invite the managers of relevant departments, internal audit officers, CPAs, legal consultants or other personnel of the Company to attend the meeting and provide necessary information, provided that they shall leave the meeting when discussion or voting takes place.

3.3.5 When the Committee calls a meeting, it shall furnish the members of the Committee present at the meeting with relevant materials for reference as necessary.

#### 3.4 Attendance and resolution

3.4.1 When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the Independent Director members in attendance, and thereafter made available for reference.

3.4.2 Independent Director members shall attend meetings of the Committee in person; if an Independent Director member is unable to attend in person, the Independent Director member may appoint another Independent Director member as a proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.

3.4.3 A member of the Committee that appoints another Independent Director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

3.4.4 Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

3.4.5 Matters on the Committee meeting agenda shall be adopted with the consent of two-thirds or more of the entire Board of Directors if it is impossible to hold said meeting. Nevertheless, a written opinion indicating approval or disapproval shall be obtained from each Independent Director member with respect to the matters under paragraph 3.2.1, subparagraph 10.

3.4.6 The proxy under paragraph 3.4.2 may accept a proxy from one person only.

### 3.5 Meeting minutes

3.5.1 Discussions at a Committee meeting shall be included in the meeting minutes, which shall faithfully record the following:

- (1) The session, time, and place of the meeting.
- (2) The name of the meeting chair.
- (3) Attendance by the Independent Director members, including the names and the number of members present, 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: For each proposal, the method of resolution and the result, a summary of the comments of the Independent Director members of the Committee and experts and other persons present at the meeting, the name of the Independent Director who is an interested party as referred to in paragraph 3.7.1, explanation of the material aspects of the interest the director has, the reason why the Director should or should not recuse himself or herself and whether or not the Director has been recused, and any objections or reservations expressed.
- (8) Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the Independent Director members of the Committee and experts and other persons present at the meeting; the name of the Independent Director who is an interested party as referred to in paragraph 3.7.1, explanation of the material aspects of the interest the Director has, the reason why the Director should or should not recuse himself or herself and whether or not the Director has been rescued; and any objections or reservations expressed.
- (9) Other matters required to be recorded.

3.5.2 The attendance book constitutes part of the Committee meeting minutes, and shall be appropriately preserved during the existence of the Company.

3.5.3 The Committee meeting minutes 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 Independent Director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company

3.5.4 The meeting minutes of paragraph 3.5.1 shall be produced and distributed in electronic form.

3.5.5 Meetings of the Committee shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five years in electronic form.

3.5.6 If any litigation relating to a resolution of a Committee meeting commences before the expiry of the period in which the evidence shall be kept in accordance with the

preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of said litigation.

3.5.7 For a Committee meeting convened via videoconferencing, the audio-recorded and videotaped data shall be part of the meeting minutes, and shall be properly kept during the existence of the Company.

### 3.6 Agenda arrangement

3.6.1 The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

3.6.2 The Committee agenda department is the financial department, which is responsible for assisting in the planning of the meeting agenda, meeting convening, meeting notification, meeting progress, meeting minutes, and other related matters.

### 3.7 Recusal

3.7.1 An Independent Director member of the Committee shall explain the material aspects of the interest he or she has when he or she is an interested party with respect to a given agenda item. When such a relationship is likely to prejudice the interests of the Company, the Director shall not attend the discussion and voting, and shall recuse himself or herself. Also, they shall not exercise the voting right for and on behalf of another Independent Director member.

3.7.2 Where the spouse or a blood relative within the second degree of kinship of an Independent Director is an interested party with respect to an agenda item as described in the preceding paragraph, such Independent Director shall be deemed to be an interested party with respect to that agenda item.

3.7.3 If, for the reason stated in paragraph 3.7.1, an agenda item cannot be resolved at a Committee meeting, it shall be reported to and resolved by the Board of Directors.

3.8 The Committee exercises its authority and the resources provided by the Company. The Committee may resolve to retain the service of an attorney, certified public accountant or other professionals to provide advice with respect to matters in connection with paragraph 3.2. The costs of their services shall be borne by the Company.

### 3.9 Regulation amendments and related implementation work

3.9.1 The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the Board of Directors.

3.9.2 The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up with a written or verbal report to be presented to the Committee during the implementation period. When

necessary, the matter shall be presented for ratification or a report made at the next Committee meeting when necessary.

### 3.10 Exercise the due care of a good administrator

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in the Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board of Directors.

### 3.11 Other

The Charter shall take effect after being approved by the Board of Directors. Subsequent amendments shall be affected in the same manner. After the formulation of the Charter, in case of a change in related laws and regulations, the Charter shall be amended in a timely manner and approved by the Board of Directors (Committee) and/or shareholders' meeting in accordance with the laws and regulations.