

# Corporate Governance and Sustainable Development Committee Charter

Doc. Name	Corporate Governance and Sustainable Development Committee Charter
Date	The Charter were established on August 10, 2018
<p>Article 1 (Basis of Formulating the Charter)</p> <p>To establish a sound governance system for the functional committees of the Company, strengthen management functions, implement corporate social responsibilities and sustainable operation, the Company's Corporate Governance and Sustainable Development Committee (hereinafter referred to as the "Committee") Charter is established in accordance with the provisions of Article 32, paragraph 2 of the Company's Articles of Incorporation.</p> <p>Article 2 (Applicable Scope of the Charter)</p> <p>Unless otherwise provided by laws or regulations or the Articles of Incorporation, the number of members, term of office, powers, meeting rules of procedure, and other related matters of the Committee shall comply with this Charter.</p> <p>Article 3 (Purpose of Establishment)</p> <p>The Committee shall assist the Board of Directors in the implementation of corporate social responsibilities and sustainable operation and management, with the purpose of strengthening corporate governance, environmental protection, and fulfilling social responsibilities.</p> <p>Article 4 (Committee Composition)</p> <p>The Committee shall be composed of at least three Directors by a resolution of the Board of Directors, more than half of which shall be Independent Directors. The committee members shall elect one of the Directors as the convener and chairperson of the meeting. At least one of the Independent Directors mentioned in the preceding paragraph shall possess legal or management professional background.</p> <p>Unless otherwise provided by laws and regulations or the Company's Articles of Incorporation and rules, a Director's tenure in the Committee shall commence on the date he/she is recommended by the Board of Directors and expire on the date when his/her term of office as a Director expires, or he/she resigns from the position as a Committee member or director, or the Board of Directors resolves to replace him/her as a Committee member with another individual.</p> <p>The tenure of the Committee members shall be in line with the tenure of Directors and supervisors.</p>	

**Article 5 (Scope of Responsibilities)**

To fulfill the objectives specified in Article 3, the responsibilities of the Committee shall include the following:

1. Implement and strengthen corporate governance:
  - (1) Planning the direction of corporate governance and annual implementation plans and progress.
  - (2) Review, suggestion, and tracking of the effectiveness of the corporate governance system and the annual implementation plan and progress.
  - (3) Review, suggest, and track the information disclosure of the Company and its subsidiaries.
  - (4) Review the governance relationship between the Company and its affiliates.
  - (5) Other matters to be handled in accordance with the Articles of Incorporation, internal regulations of the Company, resolutions of the Board of Directors or instructions of the chairperson.
2. Implementation of corporate social responsibility and sustainable development:
  - (1) Formulation of policies and systems for corporate sustainable development.
  - (2) Formulation of annual goals and implementation plans for corporate sustainable development.
  - (3) Track, review, and amend the implementation and effectiveness of corporate sustainable development.
  - (4) Content generation and production of the corporate sustainable development report.
3. Review the governance relationship between the Company and its subsidiaries and other affiliates.
4. Other matters to be conducted by the Committee according to the Board of Directors resolution.

Matters resolved by the Committee shall be handled by relevant functional groups. Each group shall be responsible for the submission of the proposals mentioned in the preceding paragraph or the implementation of the Committee's resolution. Matters to be implemented include corporate governance, economic, social, and environmental policies. The functions of each group are set out in the attached table. The functional groups shall submit annual implementation plans and results to the Committee every year. The annual implementation plan and results report mentioned in the preceding paragraph shall be submitted to the Board of Directors every year after discussion by the Committee. The convener of the committee shall elect an executive secretary responsible for contacting and notifying the functional groups of related matters, which are consolidated and submitted to the functional groups.

**Article 6 (Meeting Method)**

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

The meeting notice shall indicate the reasons for convening the Committee meetings and be given to all members seven days before the meeting. In emergency circumstances, however, the meeting may be convened on shorter notice.

When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another member as the acting convener; if the convener does not make such an appointment, the convener shall be elected among the Committee members.

The Committee may request the managers of relevant departments, certified public accountants, legal consultants or other personnel of the Company to attend the meeting and provide necessary information.

**Article 7 (Formulation of Agenda)**

The agenda of the Committee meeting is set by the convener. Other members may also provide proposals for the Committee to discuss.

**Article 8 (Attendance and Resolutions)**

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

The Committee members shall attend the meeting in person. If a member is unable to attend the meeting in person, the member may appoint another member to attend as his or her proxy. Attending a meeting via telecommunications will be deemed attendance in person.

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

Unless otherwise provided by laws and regulations or the Company's Articles of Incorporation and rules, the Committee's resolution shall have the consent of the majority of attending Committee members of which more than two-thirds of all Committee members are present. The result of a vote shall be made known immediately and recorded in writing.

When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chairperson and no member voices an objection, then the matter will be deemed approved

with the same effect as approval by vote.

The proxy under paragraph 3 may accept a proxy from one person only.

#### Article 9 (Meeting Minutes)

Discussions at a meeting of the Committee 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 chairperson.
3. Attendance of the Committee members at the meeting, specifying 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. Name of the minutes 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 1 of Article 11, 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 rescued; 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 1 of Article 11, 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 rescued; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be preserved indefinitely.

The minutes of a Committee meeting shall bear the signature or seal of both the chairperson and the minute taker, and a copy of the minutes shall be distributed to each Committee member within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

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

**Article 10 (Abstain from Voting)**

Directors serving as members of the Committee shall abstain from voting on the following matters:

1. Those who have a conflict of interest with his/her legal person or the legal person he/she represents, which may impose a negative impact on the Company's interest.
2. Those who deemed appropriate to abstain by the members themselves.
3. Those who deemed appropriate to abstain by a resolution of the Board of Directors or the Committee.

Because of the provisions specified in the preceding paragraph, if the Committee is unable to reach an agreement on a resolution, it shall report to the Board of Directors, and the Board of Directors shall vote on the resolution instead.

**Article 11 (Recruitment of Experts)**

The Committee may, by resolution, appoint an attorney, accountant, or other professionals to conduct necessary reviews or provide advice on the matters required by Article 5. The expenses incurred by the Committee shall be borne by the Company.

**Article 12 (Obligations of Committee Members)**

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

**Article 13 (Management's Reporting Obligations to New Members)**

The management should provide new members with detailed briefings and written information about the duties of the Committee, including organization, personnel, operating procedures and regulations, operating conditions, and information disclosure.

**Article 14 (Regular Reviews)**

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

**Article 15 (Authorization of the Committee)**

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

meeting of the Committee.

Article 16 (Implementation)

This Charter shall take effect after being approved by the Board of Directors. Subsequent amendments thereto shall be effected in the same manner.