# Rules for the Election of Directors (the "Rules")

Approved by the Shareholders' Meeting on May 27, 2016

Article 1

The Company enacteds the rules in accordance with the provisions of Article 21 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies". Unless otherwise provided in applicable laws and regulations or the Articles of Incorporation of the Company, the Rules specified herein shall govern the election of the Company's directors.

Article 2

The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and based on the company's business operations, operating dynamics, and development needs. Each board member shall have the necessary knowledge, skill, and experience to perform their duties.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The qualifications and election of independent directors of the Company shall comply with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and shall be conducted in accordance with Article 24 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".

Article 3

The Company's directors should be elected through cumulative voting.

Article 4

In election of the Company's directors, each share is entitled to the voting rights equivalent to the number of directors to be elected. The voting rights may be concentrated to one candidate or be allocated among several candidates.

Article 5

Candidates who acquire more votes shall win the seats of directors, and such number shall be in compliance with the number of positions for director set forth in the Articles of Incorporation. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a by-election to fill the vacancy at the next Shareholders' Meeting. When the number of directors falls short by one third of the total number prescribed in the articles of incorporation, the company shall call a special Shareholders' Meeting in accordance with relevant laws to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the articles of incorporation or relevant laws, a by-election shall be held at the next Shareholders′ Meeting to fill the vacancy. When all independent directors have been dismissed, a special Shareholders′ Meeting shall be called in accordance with relevant laws to hold a by-election to fill the vacancies.

Article 6

A candidate shall only run for either the election of directors or the election of independent directors.

The independent and non-independent directors shall be elected at the same time, but the number of independent directors and non-independent directors elected shall be calculated separately.

Article 7

The Board of Directors shall, upon preparing the ballots, enter the voting rights on each ballot. The ballot box shall be prepared by the Board of Directors and shall be checked in public by the inspector before voting.

Article 8

At the beginning of the election, the chairman shall appoint the inspector and counter to take charge of monitoring and counting of the votes.

Article 9

The Company adopts the Nomination System for the nomination of candidates to serve as directors. The Board or the shareholders holding 1% or more of the Company's total issued and outstanding shares are entitled to submit a slate of candidates for consideration as directors in pursuant to the Company Act and other applicable rules. The Company shall announce publicly the nomination submission period, the number of director to be elected, the place for eligible shareholders to submit their nomination, and other necessary matters prior to the commencement of the book closed period prior to the Shareholders' meeting.

Article 10

If the candidate is a shareholder of the Company, voters shall fill the candidate's name and shareholder's number in the "candidate" column of the ballot; if the candidate is not a shareholder of the Company, voters shall fill the candidate's name and ID number in the "candidate" column. If the candidate is a government agency or a legal entity, voters shall fill the name of the government agency or the legal entity or the name of their representative in the column. In the event that several candidates represent a government agency or a legal entity, the names of the representatives shall be filled separately in the column.

Article 11

A ballot shall be deemed void if such a ballot:

1. is not a ballot provided under the Rules;
2. is placed into the ballot box blank;
3. contains illegible words or corrections;
4. contains a name or shareholder's number in the "candidate" column which is inconsistent with the shareholder's register if the candidate is a shareholder of the Company; Contains a name or ID number in the "candidate" column which is incorrect if the candidate is not a shareholder of the Company;
5. contains any words or marks other than those specified in Article 10;
6. is not filled out in accordance with Article 10 or is filled incompletely; or
7. contains two or more candidates.

Article 12

The ballots should be counted during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 13

The Rules and any amendments hereto shall be effective after approval by the shareholders' meeting.

Article 14

The Rules were enacted on June 18, 2010.

The 1st amendment was made on May 27, 2016.