

The operation of the audit committee

1. The duties of Audit Committee

The Audit Committee assists the Board of Directors in performing its supervision functions. It also responsible for tasks defined by the Company Act, Securities and Exchange Act and other relevant laws and regulations. The Audit Committee is comprised of three independent directors, all members' professionalism requirements and experience, please refer to page 9~10 on 3.2.1.1 Information of directors and page 11~14 on 3.2.1.2 Disclosure of information on professional qualifications of directors and independence of independent directors of this annual report. According to the relevant regulations, the Audit Committee shall convene at least once per quarter.

The duties of Audit Committee, as follows:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, 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. Financial reports.
11. Any Other Material Matter so Required by the Company or the Competent Authority.

2. Annual Operation Highlight of Audit Committee

Items of performing its duties	Q1	Q2	Q3	Q4	When it's necessary
Communicate with the CPAs for the newly revised Accounting Standard, Financial and Tax Affairs Information					V
Adoption or Amendment of an Internal Control System Pursuant to Article 14-1 of the Securities and Exchange Act.					V
Review on Interest Conflicts or Transactions between Related-Parties					V
Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.					V
Review on Material Asset or Derivative Transactions					V
Review on Material Lending Funds, Endorsements or Guarantees	V				V
Hiring or Dismissal of an Attesting CPAs, or the Compensation given thereto and the independence of CPAs		V			
Reviewed the Financial Statements with CPAs regularly	V	V	V	V	
Communicate with CPAs with key audit matter				V	
Review on the Audit Report and Follow-up Report	V	V	V	V	V
Review on the Self-Evaluation of Internal Control System				V	
Assessment of the Effectiveness of the Internal Control System	V				
Recognition of Annual Financial Statement	V				
Review on the Business Report and Earnings Distribution and prepared an Inspection Report	V				

3.The Operation of the Audit Committee

The term of the Audit Committee starts from June 12, 2019 to June 11, 2022.

There are 5 meetings convened in the Year 2021.

The attendances of the independent directors were as follows:

Title	Name	Attendance in person	By Proxy	Attendance Rate (%) (Note1)	Remarks
Independent Director	Feng-Hsien Shih	5	0	100%	
Independent Director	Wan-Ping Chen	5	0	100%	
Independent Director	Pin-Chi Wei	5	0	100%	

Other mentionable items:

1. If any of the following circumstances occur, the dates of Audit meetings, sessions, contents of motion, Independent director's opinions or objections, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:
 - (1) Matters referred to in Article 14-5 of the Securities and Exchange Act: Please refer to Note 2 for details.
 - (2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.
- 2.If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.
- 3.Communication between the independent directors and the internal audit supervisor and accountants (shall include the major issues, methods and results of the companys' financial and business conditions: Please refer to Note 3 for details.

Note1 : The Actual Attendance Rate is calculated by the number of times the audit committee convene the meeting while the directors were in position and the actual number of companys' meeting Attend.

Note2 : Matters referred to in Article 14-5 of the Securities and Exchange Act

Date of the Audit Committee (session)	Content of motion	Independent director's opinions or objections	Resolution of the Audit Committee and The Company's response to the Audit Committee's opinion
2021.03.18 The 8th meeting of the 2nd Term	1. Approved the 2020 Business Report, Financial Statement (including consolidated financial statement). 2.Approved the company's 2020 internal control system statement 3. Approved the amount of endorsements or guarantees made for subsidiary .	None	Approved by all Committee members present in the meeting. Submitted the 9th meeting of the 19h Term of the Board of Directors for resolution and proceed in accordance with the resolution of the Board.
2021.03.18 The 9th meeting of the 2nd Term	1. Approved the company's 2020 Business Report and proposal for deficit compensation.		According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, the Audit Committee reviewed the various statements prepared by the board. Then submit an Audit Committee's Review Report at the meeting of shareholders.
2021.05.06 The 10th meeting of the 2nd Term	1. Approved the engagement and remuneration of the company's CPAs.		Approved by all Committee members present in the meeting. Submitted the 10th meeting of the 19h Term of the Board of Directors for resolution and proceed in accordance with the resolution of the Board.
2021.08.05 The 11th meeting of the 2nd Term	1.Approved to cancelling the company's endorsements and guarantees for subsidiary.		Approved by all Committee members present in the meeting. Submitted the 12th meeting of the 19h Term of the Board of Directors for resolution and proceed in accordance with the resolution of the Board.
2021.11.05 The 12th meeting of the 2nd Term	1. Approved to the amendment to the company's internal control system procedure and implementation rules.		Approved by all Committee members present in the meeting. Submitted the 13th meeting of the 19h Term of the Board of Directors for resolution and proceed in accordance with the resolution of the Board.