

Established on August 23, 2011

Amended on May 11, 2016

Article 1

This foundation principle has been established in accordance with Article 14-6, Paragraph 1 of the Securities and Exchange Act, and "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is listed on the Stock Exchange or Traded Over the Counter."

Article 2

Members of the Committee are to be appointed under board of directors' resolutions, and shall comprise a total of three members. At least one of the committee members must be an independent director, who shall be the convener and chairperson of all Committee meetings.

Members of the Committee shall the same term as do the board of directors.

If the size of the Committee is reduced below three due to dismissal of any of its members, the board of directors shall convene a meeting and appoint additional committee members within three months after the shortfall arises. Services of newly appointed members will end upon expiry of the current board of directors.

Any appointment or change of Committee members must be announced within two days on the reporting website designated by the authority.

Article 3

Members of the Committee must possess five or more year's work experience and qualify for one of the following criteria:

1. Lecturer (or above) of commerce, law, finance, accounting, or any subjects relevant to the Company's operations in a public or private tertiary institution.
2. Commercial, legal, financial, accounting or other work experiences required to perform the assigned duties.
3. Certified judge, attorney, lawyer, accountant, or holder of professional qualification relevant to the Company's operations.

Article 4

Committee members must not exhibit any of the following conditions for the two years before their role and at any time during their services:

1. Being employed by the Company or its affiliated enterprise.
2. Being a director or supervisor of the Company or its affiliated enterprise. This restriction does not apply to independent directors of the Company or its subsidiary, which were appointed in accordance with the Securities and Exchange Act or with the laws of the country of the subsidiary of the Company.
3. Holding 1% or more of the Company's outstanding shares in own name or in

names of others such as spouse, underage children, nominee shareholders, etc., or is one of the Company's top ten natural-person shareholders.

4. A spouse, a family member of second degree or closer, or a direct blood relative of third degree or closer to anyone listed in the three preceding clauses.

5. Being a director, supervisor, or employee of the Company's corporate shareholder that either owns 5% or more of the Company's outstanding shares or ranks among the top-5 corporate shareholders.

6. A director, supervisor, manager, or shareholder with 5% or more ownership interest in any company or institution that has financial or business relationships with the Company.

7. A professional, business owner, partner, director, supervisor, or manager of any sole-proprietorship, partnership, company, or institution that provides commercial, legal, financial or accounting services or consultations to the Company or any of its affiliated companies; or a spouse to anyone listed above; provided that this restriction does not apply to remuneration committee members performing their official powers under Article 5.

The two-year limitation does not apply to persons who have formerly served (now dismissed) as independent directors in companies or institutions which the Company or its affiliated enterprises with which it has financial or business relationships.

Article 5

Committee members must exercise the care of a prudent manager to fulfill the following duties, and propose recommendations for discussion by the board of directors.

1. Establish performance appraisal policies for the Chairman, the President, Executive Vice Presidents, department heads and deputies, and review them on a regular basis.

2. Establish and review regularly any policies, systems, standards and structures relevant to the remuneration of directors, President, Executive Vice Presidents, department heads and deputies (including travel allowances for directors).

3. Determine and review the level of remuneration to directors, President, Executive Vice Presidents, department heads and deputies (including travel allowances for directors).

The Committee shall perform the abovementioned duties in accordance with the following principles:

1. Performance of the Chairman, the President, Executive Vice Presidents and department heads and deputies shall be remunerated in reference to the levels given by industry peers, while taking into consideration their individual achievements, the Company's overall performance, and the level of risks involved.

2. The remuneration should not entice the Chairman, the President, Executive Vice

Presidents and department heads and deputies into seeking high returns by acting outside the Company's risk appetite.

3. In accordance with the short-term performance of the Chairman, President, Executive Vice Presidents and department heads and deputies, the provision proportionate bonuses and the timing of any variable remuneration shall take into consideration the characteristics of the Company's industry and business.

The term "salary" mentioned in the two paragraphs above includes cash compensations, warrants, stock dividends, retirement benefits, severance pay, allowances of all kinds, and any incentives of material value. This definition should be consistent with the scope of directors', and managers' remuneration stated in "Regulations Governing Information to be published in Annual Reports of Public Companies."

When discussing recommendations proposed by the Committee, the board of directors shall take into consideration the level of remuneration proposed, the method of payment, and risks that the Company may be borne in the future. Any rejections or amendments to proposals made by the Committee must be effected with the presence of two-thirds or more of the Company's board of directors, and supported by more than half of those present at the meeting. The board's resolution also needs to explain whether the approved remuneration is more favorable compared to the one proposed by the Committee.

If the board of directors approves a remuneration package that is more favorable than the solution proposed by the Committee, the board meeting minutes shall address the discrepancies between the two solutions, and such information must be published onto the website specified by the authority no later than two days after the board meeting.

Article 6

The Committee shall convene its meetings at least twice a year. A meeting notification needs to be served to every Committee member and participant at least seven days in advance, which details the discussed agendas, the date and venue at which the meeting is held, the proceedings and any information deemed relevant. However, cases of emergency are not subject to the aforementioned limitations. If the convener is unable to call meeting due to leave of absence or any reason, the convener shall appoint one of the independent directors to act on behalf. If there is no other independent director available, the convener shall appoint another member of the Committee to act on behalf. If the convener does not appoint any person of acting duty, one shall be appointed among the rest of the Committee members.

Article 7

During meetings, the Committee may request for the presence of the Company's

directors, department managers, internal audit personnel, accountants, legal advisors, or other relevant personnel from outside the Company to provide the necessary information. The convener shall determine the proceedings of the Committee meeting; other Committee members may also propose agendas for discussion during the meeting.

Attendance logs shall be provided during Committee meetings and signed by Committee members for future reference.

Committee members should attend meetings in person. If a member is unable to attend personally, another member can be appointed to attend on behalf, provided that a letter of authorization detailing the scope of delegated authority with respect to the discussed agenda is issued for the arrangement. A Committee member can only represent the presence of one other Committee member. Those who participate in the meeting using video conferencing are deemed to have attended in person, provided that an attendance form is signed and faxed in.

A Committee member must abstain from the voting of agenda if it poses any of the following:

1. Interests that are in conflict against those of the Company.
2. Any situation that gives the member a reasonable cause to abstain from voting.

The Committee's resolution is effected only with the presence of more than half of its members, and with the support of more than half of those present at the meeting. An agenda is considered passed if the chairperson receives no objections from any attendants. This voting method is deemed as effective as does the conventional ballot method. The outcome of the vote must be documented and announced on site.

Article 8

Opinions of the independent directors must be fully taken into consideration while the Committee makes its resolution. All supporting and opposing opinions must be documented in the meeting minutes. Committee meetings shall proceed according to the terms of this foundation principle, and where the principle does not specify, the Rules Governing the Conduct of the Board of Directors shall apply. The meeting minutes need to properly document the following details:

1. The meeting session, time, and venue.
2. Name of the chairperson.
3. Members' attendance, including the number and names of attendees, absentees, and those on leave of absence.
4. The names and titles of all the participants of the meeting.
5. Name of the minutes taker.
6. The reported issues.

7. For planned discussions: the method of resolution and outcomes of each agenda; a summary of members' objections or qualified opinions, and statements made by outside experts or other attendees.

8. Temporary motions: the name of the proposer; the method of resolution and outcomes of each agenda; a summary of members' objections or qualified opinions, and statements made by outside experts or anyone invited.

9. Other details that need to be recorded in meeting minutes.

Any objections or qualified opinions expressed by Committee members against the Committee's resolution, whether on record or in writing, must be detailed in meeting minutes and published onto the website specified by the authority no later than two days after the occurrence.

Meeting minutes must be signed or stamped by the chairperson³⁺ and the minute taker, and distributed to each Committee member within 20 days after the meeting. The minutes also need to be presented to the board of directors, treated as one of the key files of the Company, and retained for 5 years. The attendance log constitutes part of the meeting minutes, and therefore must be kept for five years.

If any litigation arises with respect to a specific Committee resolution before the abovementioned expiry, then all relevant records must be retained until the litigation is concluded.

The preparation and distribution of meeting minutes can be made in electronic form. Where Committee meeting is held by way of video conferencing, the recorded videos shall be treated as part of the meeting minutes.

Article 9

The Committee may resolve to engage lawyers, accountants, or other professionals to provide the necessary audits or consultations so as to assist the Committee in performing its duties. The Company shall bear all costs incurred in this regard.

Article 10

The Committee may authorize the convener or any of its members to execute its resolutions. The executor shall provide written reports to the Committee over the course of execution, and if necessary, the executor shall brief the Committee on the current progress or seek acknowledgment for the decisions made in the upcoming meeting.

Article 11

Committee members shall be paid attendance fees at rates approved by the board of directors. Any directors outside experts or scholars invited shall also be paid attendance fees according to the following:

1. For accountants and legal advisers, fees shall be paid in the manners agreed in the service agreement. Where the service agreement does not specify, the attendance

fee shall be paid according to the terms described in the next subparagraph.

2. For directors, outside experts and scholars, attendance fees shall be paid at rates approved by the board of directors.

Article 12

Proceedings of Committee meetings shall be handled by the Secretariat Department; the Secretariat Department will also assist the Human Resources Department in matters relating to Committee meetings.

Article 13

This foundation principle shall take effect immediately once approved by the board of directors; the same applies to all subsequent revisions. However, the amendments in March and May of the year of 2016 shall take effect when the 16th directors of the board take place.