Article 1. Purpose:

(1.) To meet the actual business requirements of the Company, these Operating Procedures were established without violating the rules prescribed in Article 15 of the Company Act.

(2.) Matters relating to the Company's granting of loans shall be governed by these Operating Procedures. Except where a finance related law provides otherwise.

Article 2. Legal basis:

The Company's Operating Procedures for Granting Loans are based on Article 36-1 of the Securities and Exchange Act, the terms and conditions for lending of funds to other described in (91) Jing-Shang-Zi-No. 09002270580, and Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies prescribed in (91) Tai-Cai-Zheng-VI-Zi No. 0910161919.

Article 3. The necessity of loans and the party to whom the Company may lend its funds:

(1.) Companies in need of funds for engaging in business transactions with the Company.

(2.) A short-term financing facility is necessary between the Company and other companies. The rules of these Regulations shall apply mutatis mutandis to the granting of loans by the subsidiaries of the Company for business purposes.

(3.) Except for the circumstances described in Paragraphs (1) and (2) above, the Company may not grant loans to its shareholders or any other persons.

Article 4. The aggregate amount of loans and the maximum amount permitted to an individual borrower:

(1.) The total amount of loans granted by the Company: The total amount shall not exceed 10% of the Company's paid-in capital.

(2.) Maximum amount permitted to a single borrower: The maximum amount for a single enterprise shall not exceed 5% of the Company's paid-in capital.

(3.) Where an inter-company or inter-firm short-term financing facility is necessary, such financing amount shall not exceed 40% of the lender's net worth. The term "short-term" used in the preceding paragraph refers to one year or one operating cycle (which exceeds one year).

(4.) Individual loans provided to companies that have a business relationship with

the Company shall not exceed the amount of business transactions between both parties. The amount of business transaction refers to the amount of goods purchased or sold by both parties (whichever is higher).

(5.) The restriction of Paragraph 3 shall not apply to loans made between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares, or between the Company and a foreign company in which the Company holds, directly or indirectly, 100% of the voting shares. However, the maximum aggregate amount of loans, the maximum amount permitted to an individual borrower, and the term of the loan shall be specified.

(6.) When granting of loans occurs between the Company and its subsidiaries or between subsidiaries, the Chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the Board of Directors and within a period not longer than one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.

(7.) The amount of loans authorized to a single enterprise by the Company and its subsidiaries may not exceed 10% of the Company or subsidiary's net worth as stated in its latest financial statement.

Article 5. Reviewing loans of funds:

When a borrower applies for a loan from the Company, the Company's credit evaluation and auditing department under its finance unit must investigate the party receiving financing, the business it operates, financial status, solvency and creditability, profitability, purpose of use, whether collateral must be obtained and appraisal of the value thereof, and future prospects, evaluate the impact on the company's business operations, financial condition, and shareholders' equity, and produce reports stating the maximum amount of loans permitted, terms, and interest calculation method. Loans shall be granted after each application is presented to the Board of Directors for resolution and approval. A third party may not be authorized to make a decision regarding loan applications. When the granting of loans is proposed for discussion by the board of directors as prescribed in the preceding paragraph, independent directors' opinions shall be fully taken into consideration. Any objections or qualified opinions made by independent directors shall be detailed in board meeting minutes.

Article 6. Term for loans of funds and the method of calculating interest rate:

1. The term for loans granted may not exceed one year, and the date of settlement shall be specified upon the granting of loans. The interest rate may not be less than the maximum interest rate charged when the Company lends short-term funds from a financial institution. The interest rate shall be calculated on a monthly basis.

Article 7. Appropriation of loans:

(1.) Loan shall be appropriated only after the loan application is approved, the borrower has signed the contract and submitted the invoice or created and registered collateral as pledge, and all handling procedures have been evaluated and verified. After appropriation, the financial, business, and credit status of the company to which loan is granted shall be analyzed according to schedule. Before a loan is due, the Company shall inform the borrower to settle the interest.

(2.) All collateral, except land and securities, shall be covered by fire insurance and pledge or mortgage shall be created.

Article 8. Publicly announced and reported information:

The term "announce and report" as used in these Regulations means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).

Date of occurrence in these Regulations refers to, the earliest of, the signing date, payment date, deal date, date of ownership transfer, the board of directors' resolution date or any other dates when the loan counterparty and the amount can be verified with certainty.

Article 9. Announcing and reporting procedures:

(1.) The Company shall announce and report the previous month's loan amounts and balances of the Company and its subsidiaries by the 10th day of each month.

(2.) Announcements and reports that must be made to authorities by law shall be handled in accordance with the regulations stipulated by such authorities. Loans of funds to an external party reaching one of the following levels shall be announced and reported within two days commencing immediately from the date of occurrence**:**

1. The aggregate amount of loans granted by the Company and its

subsidiaries reaches 20% or more of the Company's net worth as stated in its latest financial statement or, every increase in balance of loans exceeding 2% of the Company's net worth as stated in its latest financial statement following announcements in accordance with the rules herein.

2. The balance of loans to a single enterprise by the Company and its subsidiaries reaches 10% or more of the Company's net worth as stated in its latest financial statement or every increase in balance of loans exceeding 2% of the Company's net worth as stated in its latest financial statement following announcements in accordance with the rules herein.
3. The amount of new loans of funds by the Company or its subsidiaries reaches NT$10 million or more, and reaches 2% or more of the Company's net worth as stated in its latest financial statement.

(3.) For a subsidiary of the Company that is not publicly listed in the Republic of China, the information to be disclosed and filed regarding the provision in the preceding paragraphs by the subsidiary shall be handled by the Company.

(4.) The calculation of the balance of loans provided by a subsidiary as a percentage of its net worth in the preceding paragraph shall be based on the balance of loans provided by the subsidiary as a percentage of the Company's net worth.

Article 10. Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights:

A. Subsequent measures for control and management of loans:

(1.) According to Article 5 of these Operating Procedures, the financial, business, and credit status of the company to which loan is granted shall be analyzed as scheduled after appropriation. Before a loan is due, the Company shall inform the borrower to settle the interest.

(2.) In the event that a company has a poor financial status, the Company must handle such event as follows:

1. Check whether a company has unpaid loans. If loans are unpaid, the Company shall deduct from or suspend payment of loans.
2. If the company's paid negotiable instruments have not reached the repayment deadline, provisional injunction procedures shall apply.
3. Check debtor's existing assets and implement provisional attachment procedures to ensure the recourse of claims in the future.

4. Prepare an auction for the created real estate mortgage.
5. Negotiate with debtor about liquidation methods and prepare to enter judicial procedures.

B. Procedures for handling delinquent creditor's rights:

(1.) Check whether a company has unpaid loans. If loans are unpaid, the Company shall deduct from or suspend payment of loans.

(2.) If the company's paid negotiable instruments have not reached the repayment deadline, provisional injunction procedures shall apply.

(3.) Check debtor's existing assets and implement provisional attachment procedures to ensure the recourse of claims in the future.

(4.) Prepare an auction for the created real estate mortgage.

(5.) Negotiate with debtor about liquidation methods and prepare to enter judicial procedures.

(6.) Conduct inventory of debtor's properties after obtaining a decisive ruling and apply for compulsory execution. If compulsory execution is ineffective, then apply for debt certificate and write off such claim as bad debt.

(7.) Procedures for handling creditor's rights after writing off of bad debt:
Regularly check the receivable collection of property and discontinue receivable collection if such collection is deemed as ineffective in a specific period (3 years).

Article 11. Safekeeping of loans:

After a loan is appropriated, the Company shall sort and organize debt certificates, collateral, and other proof of documents and store them in an envelope labeled with the content and client name, which shall be presented to the a supervisor for verification before sealing it with the handler and supervisor's chop on the flap and delivering it to dedicated personnel for safekeeping.

Article 12. Other notes:

(1.) Should a borrower no longer satisfy the criteria set forth in these Procedures or there be any excess over the lending limit due to unexpected changes of the Company, a corrective plan shall be provided to the Audit Committee and the proposed correction actions shall be implemented within the period specified in such plan.

(2.) The Company shall evaluate the status of its loans of funds and reserve

sufficient allowance for bad debts, and shall adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures.

Article 13. Establishment of memorandum book:

The Company shall prepare a memorandum book for its fund-loaning activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated according to regulations.

Article 14. Internal audits:

The Company's internal auditors shall audit the Procedure for Granting Loans and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall notify independent directors and the Audit Committee in writing of any material violation found, and shall also submit related improvement plans to the independent directors and Audit Committee.

Article 15. Procedures for controlling and managing loans of funds granted by subsidiaries:

1. The subsidiary of the Company planning to grant loans shall formulate Operating Procedures for Granting Loans in accordance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, and shall adhere to its established procedures.
2. A subsidiary of the Company planning to grant loans shall inform the Company and obtain approval before it may grant such loans. The Company's finance and accounting department and personnel appointed by the President shall specifically assess the necessity, reasonableness, and risk of granting loans, as well as the impact on the business operations, financial condition, and shareholders' equity on the parent company and subsidiaries, and present results to the President and Chairman for approval.
3. The finance and accounting department shall, at the beginning of every month, acquire details of balances of loans granted by each subsidiary.
4. The finance and accounting department shall periodically evaluate the appropriateness of subsequent measures for control and management of loans granted by each subsidiary, and procedures for handling delinquent creditor's rights.

5. The Company's internal audit personnel shall periodically review the status of the Company's compliance with the Operating Procedures for Granting Loans and prepare audit reports. After presenting their findings and suggestions in audit reports, they shall notify the subsidiary in question to make improvements and periodically produce follow-up reports to ensure that the subsidiary has adopted appropriate corrective measures in a timely manner.

Article 16. Penalties for violation of these Operating Procedures:
If managers or relevant implementing personnel of the Company violate the FSC Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies or the Company's Operating Procedures for Granting Loans, appraisals shall be regularly reported in accordance with the Company's Personnel Management Regulation and work rules and disciplinary action shall be taken in accordance with situations.

Article 17. Supplementary Provisions:
Any matters not covered in this Procedure shall be handled in accordance with relevant laws and regulations.

Article 18. Amended provisions:
These Operating Procedures shall be subject to the approval of one half or more of the entire membership of the Audit Committee and shall be submitted to the Board of Directors for a resolution. If it is not approved by more than half of all Audit Committee members, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the board meeting minutes. All Audit Committee members and all directors shall be counted based on the actual number of persons currently holding those positions, and shall be submitted to the shareholders' meeting for approval. The same shall apply to any amendments. When these Operating Procedures are proposed for discussion by the Board of Directors, independent directors' opinions shall also be fully taken into consideration. Any dissenting or qualified opinions made by independent directors must be detailed in the board meeting minutes.

The 1st amendment was made on March 28, 2002.
The 2nd amendment was made on March 18, 2003.

The 3rd amendment was made on June 14, 2006.

The 4th amendment was made on February 20, 2009.

The 5th amendment was made on June 17, 2011.

The 6th amendment was made on June 21, 2013.

The 7th amendment was made on June 18, 2015

The 8th amendment was made on June 17, 2016.

The 9th amendment was made on June 21, 2019.