

ENNOSTAR Inc. Rules Governing the Scope of Powers of Independent Directors

Amended and Approved by a resolution of the Board of Directors' meeting on August 12, 2021.

Article 1 (Basis for adoption)

To ensure good corporate governance and establish a sound independent director system, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 (Scope of application)

Except as otherwise provided by law and regulation or by the articles of incorporation, matters concerning the duties of independent supervisors of this Company shall be as set out in these Rules.

Article 3 (Responsibilities)

At least one independent director should attend the board meeting in person;

All the independent directors should attend the board meeting for the following items that should be approved by the board of directors. If the independent directors can not attend in person, they should be represented by other independent directors.

When an independent director objects to or expresses reservations about any of the matters, it shall be recorded in the board meeting minutes. If an independent director intends to express an objection or reservations is but unable to attend the board meeting in person, then unless there is a legitimate reason to do otherwise, the independent director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes:

1. This Company's business plan.
2. The annual financial report and the semi-annual financial report signed or stamped by the chairman, manager and accounting director.
3. In accordance with the provisions of Article 14 of the Securities and Exchange Act, to formulate or to revise the internal control system and to examine the effectiveness of the internal control system.
4. In accordance with the provisions of Article 36 of the Securities and Exchange Act, to adopt or amend the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. Matters in which a director or a supervisor is an interested party.
6. Asset transactions or derivatives trading of a material nature.
7. Loans of funds, endorsements, or provision of guarantees of a material nature.

8. The offering, issuance, or private placement of equity-type securities.
9. The hiring or dismissal of a certified public accountant and their compensation.
10. The appointment or discharge of a financial, accounting, or internal audit officer.
11. Donations to related party or significant donations to non-related party.

However, due to emergency help derived from the major natural disasters, donations for the purpose of public welfare may be ratified by next Board of Directors meeting.

12. Other matters required by law, regulation, or the articles of incorporation to be approved by resolution at a shareholders meeting or a board meeting, or any matter of a material nature as prescribed by the competent authority.

The term "related party" mentioned in the preceding paragraph 11 refers to the relevant party as prescribed in the financial issuer's guidelines for the preparation of financial statements; The significant donations to non-related parties refer to both the amount of each donation or the cumulative amount to the same target up to NT \$ 100 million within one year, or one percent of the net operating income of the financial statements which certified by certificated public accountants in recent year, or more than five percent of the paid-up capital.

The "within one year" as mentioned in the preceding paragraph is retroactive one year based on the date of this board meeting. The item is exempt from re-credited if resolution has been passed by board meeting.

Article 4 (Liability insurance)

This Company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy.

This Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 5 (Remuneration)

This Company shall set the remuneration of the independent directors in its articles of incorporation or by a resolution of a shareholders meeting, and may consider providing a reasonable level of remuneration different from that of ordinary directors and supervisors. This Company may also, in accordance with procedures prescribed by law, consider providing remuneration for independent directors in the form of a fixed salary, rather than as distributions from the earnings of the company.

Article 6 (Continuing education)

All independent directors of this Company shall pursue continuing education, including attending the relevant training courses as required.

Article 7 (Exercise powers)

This Company may not obstruct, refuse, or evade the actions of independent directors in the performance of their duties. As they deem necessary to performing those duties, independent directors may request the board to appoint relevant personnel or to hire professionals for assistance.

Any expenses necessary shall be borne by this Company.

Article 8 The Rules shall enter into force after it has been approved by the board of directors. The same as in the revision.