
Audit Committee Charter

Article 1 Basis for the adoption of the Charter

The Charter is adopted pursuant to Article 3 of the Regulations Governing the Exercise of Powers by Audit Committees of Walsin Lihwa Corporation (the "Company").

Article 2 Scope of the Charter

Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by the Company when the Audit Committee (the "Committee") exercises its powers shall be handled in accordance with the Charter.

Article 3 Purpose

The main function of the Committee is to supervise the following matters:

1. Fair presentation of the financial reports of the Company.
 2. The hiring (and dismissal), independence, and performance of certificated public accountants of the Company.
 3. The effective implementation of the internal control system of the Company.
 4. Compliance with relevant laws and regulations by the Company.
 5. Management of the existing or potential risks of the Company.
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Article 4 Members

The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.

The independent director members of the Committee shall serve a three-year term, and may be re-elected to further terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the articles of incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse or all of their positions are vacant, a special shareholders meeting shall be called within sixty days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 5 Exercise of power

Powers conferred by the Securities and Exchange Act, Company Act, and any other law to be exercised by supervisors, excepting those powers set out in Article 14-4, paragraph 4, of the Securities and Exchange Act, shall be exercised by the Committee.

The provisions of Article 14-4, paragraph 4, of the Securities and Exchange Act concerning provisions of the Company Act concerning acts done by supervisors, and the role of supervisors as representatives of the Company, shall apply mutatis mutandis to the independent director members on the Committee.

Article 6 Powers of the audit committee

The powers of the Committee are 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. Annual financial reports which are signed or sealed by the chairperson, managerial officer, and accounting officer.
11. Other material matters as may be required by the Company or by the competent authority.

The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to the Board of Directors for a resolution in accordance with law.

Any matter in the paragraph 1, with the exception of subparagraph 10, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire Board of Directors.

"The entire membership," as used herein, shall be counted as the number of members actually in office at the given time.

The convener of the Committee shall represent the Committee to the public.

Article 7 Convention and meeting notification

The Committee shall convene at least once quarterly, and may call a meeting at its discretion whenever necessary.

The reasons for calling a meeting of the Committee shall be notified to each independent director member at least seven days in advance. In emergency circumstances, however, this requirement does not apply.

One member shall be elected as the convener and meeting chair by and from among the entire membership of the Committee. If the convener cannot be elected, the independent director with the most votes will serve as the convener. When the convener goes on leave or otherwise for any reason whatsoever is unable to convene a meeting, the meeting shall be convened by another independent director member designated by the convener, or if no such designation is made, the meeting shall be convened by another member elected by and from among the independent director members on the Committee.

Independent directors accounting for more than half of all members on the Committee may request the convener to call a Committee meeting by filing a written proposal setting forth therein the subjects for discussion and the reasons. If the convener fails to give a notice for convening a Committee meeting within 15 days after the filing of the request, such independent directors may convene a Committee meeting on their own.

The Committee may invite management-level personnel of relevant departments, internal auditors, accountants, legal consultants, or other Company personnel to attend a meeting and provide necessary information; however, they shall be absent during discussion and voting.

When a Committee meeting is convened, relevant materials shall be prepared and provided to attending Committee members for their reference.

Article 8 Rules of procedure

When a Committee meeting is held, the Company shall have an attendance book ready for signature by the independent director members attending the meeting and thereafter keep it available for future reference.

All independent director members on the Committee shall attend Committee meetings in person; a member who cannot attend in person may appoint another independent director member to attend as his or her proxy. Attendance via tele- or video-conference is deemed attendance in person.

A member on the Committee appointing another independent director member to attend a Committee meeting shall in each instance give to that director a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the consent of one-half or more of the entire membership. The result of a vote shall be made known immediately

and recorded in writing.

The representatives of the Company pursuant to Article 213, 214, and 223 of the Company Act shall be selected and appointed by the Committee in accordance with the preceding paragraph. The Committee may decide whether it should be represented by its members individually or collectively; if a representative is not selected in accordance with the preceding paragraph, the Committee shall be collectively represented by all its members.

If for a legitimate reason it is impossible to hold a Committee meeting, matters on the meeting agenda shall be adopted with the consent of two-thirds or more of the entire Board of Directors. Notwithstanding the foregoing, with respect to the matters in subparagraph 10, paragraph 1 of Article 6, a written opinion shall be obtained from each independent director member indicating approval or disapproval.

A proxy under paragraph 2 may accept a proxy from one person only.

Article 9 Minutes

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the independent director members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; the name of any independence director that is an interested party as referred to in paragraph 1 of the Article 11, an explanation of the important aspects of the relationship of interest, the reasons why the independence director was required or not required to enter recusal, and the status of their recusal; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; the name of any independence director that is an interested party as referred to in paragraph 1 of the article11, an explanation of the important aspects of the

relationship of interest, the reasons why the independence director was required or not required to enter recusal, and the status of their recusal; and any objections or reservations expressed.

9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be preserved during the existence of the Company.

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within twenty days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 10 Meeting agenda

The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

Article 11 Recusal of directors due to conflicts of interest

If any independent director of the Committee is an interested party with respect to any agenda item, the independent director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the independent director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another independent director's proxy to exercise voting rights on that matter.

If, for the reason stated in the preceding paragraph, an agenda item can not be resolved at a meeting of the Committee, it shall be reported to the Board of Directors, which shall resolve on the item.

Where the spouse, a blood relative within the second degree of kinship of a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Article 11-1 Board meeting proceeding recording

The Company shall record on audio or video tape the entire proceedings of an audit committee meeting, and preserve the recordings for at least five years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of an audit committee meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where an audit committee meeting is held via tele- or video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Company.

Article 12 Engagement of professionals

The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice with respect to matters in connection with Article 6. The costs of their services shall be borne by the Company.

Article 13 Obligation of the member

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in the Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board.

Article 14 Amendment of the Charter and execution of tasks

The Committee shall conduct periodic reviews of matters relating to the Charter and present the results for amendment by the Board of Directors.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 15 Enforcement

The Charter shall be enforced after approval by the Board of Directors; the same applies whenever the Charter is amended.

The Charter was enforced beginning May 26, 2017 after approval by the Board of Directors.

Article 16 Enactment and amendment

The Charter was enacted on May 5, 2017 and became effective on May 26, 2017. It was amended and became effective respectively on November 2, 2017, June 12, 2019, February 27, 2020, and February 23, 2014.
