

Pili International Multimedia Co., Ltd. Corporate Governance and Nomination Committee Foundation Principles

Article 1 (Basis)

The following committee foundation principles (hereinafter referred to as Foundation Principles) have been established in accordance with Paragraph 3, Article 27 of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies to support board of directors' duties and as an enhancement to management practices.

Article 2 (Applicability)

Unless otherwise specified in law or the Articles of Incorporation, the Committee shall perform its duties and exercise authority as outlined herein.

Article 3 (Announcements and regulatory reporting)

The contents of this Charter shall be placed by the Company on the corporate website and the Market Observation Post Systems (MOPS) for public reference.

Article 4 (Composition and term)

The Committee shall comprise 3 directors nominated by the board of directors; more than half of whom should be independent directors.

Unless otherwise specified in law, Articles of Incorporation or relevant rules, directors' term of service in this Committee shall commence from the day appointed by the board and end upon termination of directorship, resignation from committee/director duties, or on the day a substitute is nominated by the board to replace the existing member.

Article 5 (Duties and authority of the Committee)

The Committee has been empowered by the board of directors to perform the following duties and propose the following issues for discussion by the board while exercising care as a prudent manager:

1. Search, review and nomination of director candidates (including independent and non-independent directors).
2. Review new board-related policies and amendments thereof.
3. Review new functional committee foundation principles and amendments thereof.
4. Review new corporate governance-related codes of conduct and policies, and amendments thereof.
5. Other tasks instructed by the board of directors.

If a committee member is considered a stakeholder to the discussed topic, the member must state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the member may not exercise voting rights on behalf of other members. A committee member would be considered to hold self interest in a topic raised in the meeting if the committee member's spouse, 2nd-degree direct relative or closer, or any of the committee member's controlled or controlling entities holds stake in the said topic.

The board may reject the Committee's proposal only in the presence of more than two-thirds of directors and with the support of half of those present at the board meeting. In which case, differences between the proposal and the final decision and causes of difference shall be detailed in board meeting minutes.

Article 6 (Nominee background review)

The Committee shall perform the following duties according to Subparagraph 1, Paragraph 1 of the preceding Article:

1. Find proper candidates for directors, nominate the candidates in a list to the board of directors, and to review the eligibility of nominated candidates for conditions mentioned in Article 30 of The Company Act in the manner described in Article 192 of The Company Act.
2. When nominating independent directors, care shall be taken to review nominees' experience, professionalism, integrity and concurrent duty as director, supervisor, committee member or chairperson in another company (compared to other candidates), and whether they satisfy the independent director criteria outlined in the Securities and Exchange Act, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and rules of Taiwan Stock Exchange Corporation or Taipei Exchange. Furthermore, candidates should be nominated primarily to maximize shareholders' long-term interest.

Article 7 (Meeting convention and advice)

The Committee shall convene meetings at least twice a year, and may do so at anytime deemed necessary.

Convention of committee meeting shall be notified to all committee members at least 7 days in advance with detailed agenda. This requirement can be waived in an emergency.

Meetings of the Committee shall be convened and chaired by independent director. If the convener is on leave of absence, is unable to convene meeting for any reason, or is

required to avoid involvement under Paragraph 2, Article 5, the convener's duty shall be delegated to another independent director of the Committee, or if necessary, delegated to other members of the Committee. If the convener does not appoint a person of acting duty, remaining members of the Committee shall appoint one independent director amongst themselves to act on behalf.

During meetings, the Committee may request for the presence of department managers, internal auditors, CPAs, legal consultants, or other relevant personnel to provide necessary information. However, these participants are to be removed during discussion and voting.

Article 8 (Attendance and resolution)

The convener shall determine the proceedings of the Committee meeting; other Committee members may also propose motions for discussion during the meeting. Meeting agenda must be given to Committee members prior to convention of the meeting.

When the Committee is convened, an attendance book shall be made available by the Company for attending members to sign-in with and for future reference.

Committee members shall attend meeting of the Committee in person. If attendance in person is not possible, he or she may appoint another member to attend in proxy; attendance via teleconferencing shall be considered to be attendance in person.

A Committee member that appoints another member their proxy at a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the agenda.

The proxy under Paragraph 3 is limited to acting as proxy for one person only.

Article 9 (Minutes)

Unless otherwise specified in law, the Articles of Incorporation or the Principles, resolutions of the Committee shall be passed in meetings with the presence of more than two-thirds of total committee members, and supported by more than half of those present at the meeting.

Meeting minutes detailing the following matters shall be compiled of discussions by the Committee:

1. The session, time and location of the meeting.
2. Name of the chair.
3. Attendance including the names and number of attending, excused or absent members.
4. The names and titles of non-voting participants.
5. The name of the minute-taker.

6. Matters reported at the meeting.
7. Agenda items: The resolution and result for each proposal, dissenting or qualified opinions of Committee members.
8. Extraordinary motions: The name of the mover, resolution and result for each motion, summary of comments by members of the Committee, experts and other personnel, dissenting or qualified opinions.
9. Any other matters that should be on record.

The attendance book constitutes part of the meeting minutes; if the meeting is held via video-conferencing then the audio and video data also constitute part of the meeting minutes.

Meeting minutes must be signed or stamped by the chairperson and the minutes drafter, and distributed to all committee members within 20 days after the meeting. The minutes shall also be presented to the board of directors, classified as one of the key files, and retained for 5 years. Meeting minutes can be produced and distributed in electronic form.

If litigation involving the Committee takes place before the expiration of the retention period from the preceding paragraph then the minutes shall be retained until the conclusion of the litigation.

Article 10 (Resources to be provided by the Company)

The Committee may resolve to engage lawyers, human resource agencies, CPAs or other professionals to provide consultation or assistance on matters listed in Articles 5 and 6. Any expenses incurred as a result shall be borne by the Company.

Article 11 (Information disclosure)

The Company shall disclose on its annual report, website or Market Observation Post System the composition, duties and operations of the Committee.

Article 12 (Performance of relevant tasks)

The Committee may authorize the convener or any of its members to execute decisions resolved in meetings. The executor shall provide written or verbal reports to the Committee over the course of execution, and brief the Committee or seek its acknowledgment for the decisions made over the course of execution in the upcoming meeting.

Article 13 (Others)

This Charter, and any amendments hereto, shall enter into force after adoption by the Board of Directors.

The principles were established on November 12, 2019.

The 1st amendment was made on August 11, 2020.