



## **Sino-American Silicon Products Inc.**

### **Rules Governing the Scope of Powers of Independent Directors**

#### **Article 1**

To ensure good corporate governance and establish a sound independent director system, these Rules are adopted pursuant to Article 26, paragraph 1 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### **Article 2 (Scope of application for these Rules)**

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

#### **Article 3**

The following matters shall be submitted to the board of directors for resolution. 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 Corporation's business plan.
2. Annual and semi-annual financial reports.
3. Review of the adoption of or amendments to the internal control system of this Corporation.
4. Review of the adoption of or amendments to 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. 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.

#### **Article 4 (Liability insurance)**

This Corporation may take out liability insurance for its independent directors.

#### **Article 5 (Remuneration)**

This Corporation 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 Corporation may also, in accordance with procedures prescribed by law, consider providing remuneration for independent directors in the form of a fixed monthly salary, rather than as distributions from the earnings of the company.

#### **Article 6 (Continuing education)**

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

#### **Article 7**

Neither this Corporation nor other board members may 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 to the hiring of professionals or the exercise of powers by the independent directors under the preceding paragraph shall be borne by this Corporation.

#### **Article 8**

These Rules, and any amendments hereto, shall be implemented after adoption by the board of directors.

#### **Article 9**



中美矽晶製品股份有限公司  
SINO-AMERICAN SILICON PRODUCTS INC.

The Rules were enacted on May 13, 2014.