

Compal Electronics Inc. Corporate Social Responsibility Committee Organizational Rules

Article 1 Objective and Basis

In order to ensure the implementation of corporate responsibility policies, strengthen the Company' s operating system, commit to environmental conservation practices, and fulfill corporate social responsibility, Compal Electronics Inc. (hereinafter referred to as the Company), in accordance with the provisions of Article 27-3 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the provisions of Article 9 of the Company' s Corporate Social Responsibility Best Practice Principles, the Corporate Social Responsibility Committee (hereinafter referred to as the committee) has been set up. In addition, the committee' s organizational rules (herein referred to as the organizational rules) have been set up to serve as the basis for the committee' s operations. Unless otherwise provisioned by law and the competent authority, matters shall be handled in accordance with the committee' s organizational rules.

Article 2 Scope of Application

The committee' s personnel, term of office, powers, rules of procedure, and resources to be provided by the Company when exercising powers shall be in accordance with the provisions of the organizational rules.

Article 3 Exercise of Powers

The committee shall ensure mainly the promotion and implementation of major corporate social responsibility decision-making and incorporate corporate social responsibility in company operational activities and development.

I. Responsibilities of the Committee

1. Establish corporate social responsibility policies, goals, and management systems.
2. Plan, execute, and review corporate social responsibility related work.
3. Track, inspect, and revise corporate social responsibility implementation effectiveness.
4. Prepare and issue corporate social responsibility reports.
5. Regularly report to the board of directors on execution results and the objectives in the annual plan.

II. Committee Chairman: The board of directors shall appoint a senior executive for the post.

1. Convene and preside over the committee.
2. Decide on the issues discussed in the meeting.
3. On behalf of the committee, release relevant policies and implementation objectives for company employees.
4. On behalf of the committee, regularly report to the board of directors on committee execution.

- III. Executive Secretary: The chairman shall appoint a corporate social responsibility office supervisor for the post, responsible for coordination, distribution, execution, and other work contents.
1. Assist the chairman in informing committee meeting related matters.
 2. Responsible for meeting recording work.
 3. Assist the chairman in collecting and summarizing issues discussed during the meeting prior to convening a meeting.
 4. Consolidate the execution progress of the implementation team in each district and the results of client audit and report the execution results to the chairman.
 5. Responsible for the preparation and issuance of the Company' s corporate responsibility reports.
 6. Execute matters assigned by the chairman.
- IV. CSR Core Team representative: The post shall be assumed by the factory director or the highest executive of the administrative unit, responsible for supervising the operations of the respective corporate social responsibility execution teams, attending committee meetings, assisting the committee in promoting various plans, and completing various policies and objectives.
1. Employee Care Team:
 - (1) Comply with labor laws and regulations, ban child labor, protect legitimate rights and interests of employees, respect the freedom and human rights of laborers, eliminate all forms of forced labor and employment discrimination, and not endanger the basic rights and interests of the health and safety of laborers.
 - (2) Confirm appointment is free from differential treatment in terms of gender, ethnicity, age, marital status, and family status, implement salary benefits, employment conditions, functional training, promotion opportunities, and other equal rights.
 - (3) Establish diversified communication channels for employees.
 - (4) Regularly hold employee corporate social responsibility related course training.
 2. Corporate Governance Team
 - (1) Comply with the training competent authority, regulatory, charter, and company related regulations and implement company governance.
 - (2) Establish and implement company internal control and internal audit systems.
 - (3) Implement anti-corruption to protect the rights and interests of shareholders.
 - (4) Respect the interests and rights of interested parties.
 - (5) Protect intellectual property rights and establish information security and privacy management.
 - (6) Ensure financial data enhance the information transparency of the Company.
 3. Environmental Safety and Hygiene Team:
 - (1) Provide a safe and healthy work environment for employees.
 - (2) Establish the Company' s energy conservation and carbon reduction strategy and regularly disclose relevant data.
 - (3) Use renewable resources that can be recycled and reused.
 - (4) Reduce pollutants and properly handle waste and hazardous materials.

- (5) Appoint dedicated staff for environmental safety management.
 - (6) Improve the utilization rate of various resources and use recycled materials that cause low impacts on the environmental load to achieve sustainable use of resources.
 - (7) Properly respond to environmental safety and health issues of concern to all interested parties.
4. Supply Chain Management Team
- (1) Prohibit the use conflict minerals and regularly conduct conflict material use investigations.
 - (2) Obtain corporate social responsibility commitment from certified suppliers and irregularly conduct supplier corporate social responsibility inspections.
 - (3) Promote green procurement and responsible procurement.
 - (4) Establish transparent and effective customer and supplier complaint procedures to handle complaints fairly and promptly.
 - (5) Protect and respect the intellectual property right and private personal information of customers and suppliers.

Article 4 Makeup and Term of Office

This committee is the Company' s main corporate social responsibility work decision-making and promotion unit. The board of directors shall appoint a senior executive to serve as the chairman, and the committee members shall be the highest executives of relevant units appointed by the chairmen, including sales, R&D, procurement, human resources, accounting, green execution teams, information security team, legal and audit units ext. The committee organization comprises the corporate social responsibility office. The chairman shall appoint the unit executive to serve as the executive secretary, and dedicated staff shall be appointed to plan and promote corporate social responsibility related activities.

The committee has set up the corporate social responsibility execution team. Targeting employee care, corporate governance, environmental safety and hygiene, and supply chain management, promotion and implementation by dedicated staff shall be carried out.

The committee shall appoint one chairman and 10-15 committee members. The team of office for the chairman and the committee members shall be appointed by the board of directors or until the day of the chairman/committee member' s resignation.

Article 5 Rules of Procedure

1. The committee shall convene a meeting at least once a year and may convene a provisional meeting whenever necessary.
2. The committee meeting shall be convened and chaired by the chairman. If the chairman on leave or unable to convene a meeting for any reason, he shall appoint a committee member to act on the chairman' s behalf. In case the chairman fails to appoint a deputy, the committee shall appoint a deputy.
3. The committee convention shall specify the reason for meeting convention and meeting time and venue. Prior to a meeting, the committee members shall be notified by writing or via email.

4. The chairman shall convene committee members for every meeting, and respective execution team members and relevant department managers or undertakers shall be invited to preside over the meeting according the motion content and provide related necessary information.
5. The committee may exercise voting rights in writing without actual assembly.
6. At the time of committee resolution, the consent of more than half of all the members is required. At the time of voting, if there is no objection after the chairman consults with the members, the voting shall be deemed valid and its effectiveness is deemed the same as the voting.
7. The proceedings of the committee shall be made into a deliberation minutes. The time and place of the meeting, the chairman name, and the method of resolution shall be recorded in detail in the deliberation minutes. The summary of the proceedings and results shall also be recorded. The resolutions of the committee shall stated in the journal if members object, retain their opinions with records, or have written statements.
8. The signing book of the Committee is part of the journal. The journal shall be signed or affixed with the chop by the meeting chairman or recording personnel, which shall be sent to the Committee members within 20 days. The production and distribution of the journal shall be done by electronic means.
9. Journals should be properly and permanently kept for the duration of the Company' s existence.

Article 6 Execution of Resolved Matters

Matters resolved by the committee shall be authorized to the committee members or execution teams for execution, and dedicated units may be authorized to execute matters if necessary. Execution results shall be reported to the committee.

Article 7 Implementation and Revision

The organizational rules shall be implemented after passing by the board of directors. The same also applies to revisions.

Article 8 Appendix

The organizational rules shall be passed and implemented after reaching a resolution by the board of directors on March 6th, 2018.

CSR Committee Organization Construction

Board of Directors

CSR Committee

CSR Office Executive Secretary

CSR Executive Core Teams

Promote and execute CSR policies
Execute corporate governance
Develop environmental sustainability
Preserve public welfare
Enhance CSR information disclosure

Employee Caring

- * Prohibition of child labor
- * Employee human rights and freedom
- * Employee health and safety
- * Equal rights of employment
- * Employee salary and benefits
- * Occupational training management
- * Employee versatility communication
- * Employee care

Environment

- * Working environment safety
- * Green environment sustainability
- * Green design procedure
- * Promote energy saving and carbon reduction, greenhouse gas and carbon footprint, and CDP disclosure
- * Waste and hazardous substance management
- * Renewable energy application

Corporate

- * Business integrity
- * Anti-corruption
- * Compliance
- * Implementation of internal control and external auditing
- * Information transparency disclosure
- * Financial data validation
- * Protection of shareholders' interests
- * Protection of intellectual property rights
- * Information security and privacy management

Supply Chain

- * Responsible procurement
- * Prohibition of conflict minerals
- * Promote green procurement
- * Suppliers' CSR commitment
- * Qualified supplier auditing
- * Wasted raw materials management