HSING TA CEMENT CO., LTD.

Category	Rules Governing the Scope of Duties and Responsibilities of Independent Directors	Formulated by	Board of Directors	Document No.	ＨＯＡＣ０１３
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Version	Revision			Description of Revision	Drafted by	Reviewed by	Approved by	Date
	Revision No.	Page	Article(s)					
A				Newly enacted	Regulation Formulation Taskforce	Yang, Te-Hsiung Wu, Lien-Fu	Board of Directors	March 23, 2015
A	1	All	Article 3 Article 9	Revised pursuant to FSC Letter No. 1060027112 dated July 28, 2017.	Regulation Formulation Taskforce	Yang, Chih-Hsiung Wu, Lien-Fu	Board of Directors	November 14, 2017
A	2	All	Article 3 Article 5 Article 9	Revised pursuant to FSC Letter No. 10200531121 regarding the establishment of an Audit Committee to replace the functions of supervisors, and amended related wording concerning supervisors.	Regulation Formulation Taskforce	Yang, Chih-Hsiung Wu, Lien-Fu	Board of Directors	May 9, 2018
A	3	2/3	Article 3	Revised pursuant to FSC Letter No. 1080006349 concerning the amendment to Article 14-5 of the *Securities and Exchange Act.*	Regulation Formulation Taskforce	Yang, Chih-Hsiung	Board of Directors	March 31, 2020

Article 1（Basis）

To establish sound corporate governance and a functional independent director system, enabling independent directors to effectively perform their duties in the Board of Directors and the Company's operations, these Rules are formulated with reference to the *Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies* for compliance.

Article 2 (Scope of Application)

Matters relating to the duties and responsibilities of the Company's independent directors shall be governed by these Rules, except as otherwise provided by laws, regulations, or the Articles of Incorporation.

Article 3 (Scope of Duties and Responsibilities)

At least one independent director shall personally attend meetings of the Board of Directors when the following matters are submitted for resolution. For matters required to be submitted to the Board for resolution, all independent directors shall attend the meeting. If any independent director is unable to attend in person, he or she shall appoint another independent director to attend as proxy. If an independent director expresses an objection or reservation, such opinion shall be recorded in the minutes of the Board meeting.
If an independent director is unable to attend in person to express such opinion, he or she shall, except for just cause, issue a written opinion in advance, which shall be recorded in the minutes.

1. The Company's business plan.
2. Annual financial reports signed or sealed by the Chairman, managerial officers, and accounting officer, and the second-quarter financial reports required to be audited and attested by a certified public accountant.
3. Review of the adoption or amendment of the Company's internal control system and assessment of its effectiveness.
4. Review of the adoption or amendment of the procedures for significant financial or business activities such as acquisition or disposal of assets, derivative transactions, lending of funds to others, and endorsements or guarantees for others.
5. Matters involving directors' personal interests.
6. Material asset or derivative transactions.
7. Material loans of funds, endorsements, or guarantees.
8. The offering, issuance, or private placement of equity-type securities.
9. The appointment, dismissal, or remuneration of the certified public accountant responsible for attestation.
10. Appointment or dismissal of the head of finance, accounting, or internal audit.
11. Other material matters required by law, the Articles of Incorporation, or the competent authority to be resolved at a shareholders' meeting or by the Board of Directors.

Article 4 (Insurance)

The Company may take out liability insurance for independent directors.

Article 5 (Remuneration)

Independent directors of the Company shall receive fixed monthly remuneration and attendance fees, but shall not participate in profit-sharing distributions applicable to directors' remuneration.

Article 6 (Continuing Education)

Independent directors shall pursue continuing education, including participation in relevant training courses as required.

Article 7 (Assistance)

The Company or other members of the Board of Directors shall not obstruct, refuse, or evade actions performed by independent directors in the execution of their duties. Where independent directors deem it necessary in performing their duties, they may request the Board to assign relevant personnel or engage experts to provide assistance.

The expenses for engaging experts and any other costs necessary for independent directors to exercise their duties shall be borne by the Company.

Article 8 (Implementation)

These Rules shall take effect upon approval by the Board of Directors, and the same shall apply to any subsequent amendments.

Article 9 (Date of Adoption and Amendments)

These Rules were adopted on March 23, 2015, first amended on November 14, 2017, and second amended on May 9, 2018, and implemented following the shareholders' meeting on June 21, 2018.