

Implementation Principles and Structure of Corporate Governance

A. Implementation Principles

The Company attaches great importance to corporate governance and proceeds in accordance with the following principles in hope to carry out corporate governance by the highest international standards:

1. Timely disclosure of material information and the establishment of investor as well as investor relations sections on the corporate website to service the shareholders.
2. Promotion of positive interaction and balance of power between the Board of Directors and the management team.
3. Appointment of independent directors to ensure the independence and fairness of the Board of Directors.
4. Assessment of certified public accountants (CPAs) and have them issue a statement of independence to ensure their independence and fairness.
5. Establishment of the Remuneration Committee to strengthen corporate governance and improve the remuneration system of the Company's directors and management.
6. Explicit and specific dividend policy.
7. Proposals of shareholders' meeting are resolved by voting on a proposal-by-proposal basis and the Company adopts electronic voting for shareholders to fully exercise their rights.
8. Compliance with the corporate governance rules, upholding of the business ethics principles and implementation of internal audit mechanisms.

B. Implementation of Corporate Governance

The Company has established functional committees under its corporate governance structure. At present, there are the "Audit Committee" and the "Remuneration Committee."

1. Audit Committee:

Accton's Audit Committee is composed of all independent directors, and designed to assist the Board of Directors in monitoring the company and improvement of corporate governance efficiency.

Its powers include:

- (1) Formulation of or amendment to internal control system.
- (2) Assessment on the effect of internal control system.
- (3) Formulation of or amendment to the procedures for acquiring or disposing assets, engaging in derivative commodity transactions, lending funds to others, endorsing for others or providing guarantee and other major financial and business activities.
- (4) Matters involving director's own interests.
- (5) Major assets or derivative commodity trading.
- (6) Major funds lending, endorsement or provision of guarantee.
- (7) Raising, issuance or private offer of securities with equity nature.
- (8) Appointment, dismissal, and remuneration of CPAs.
- (9) Appointment and dismissal of finance manager, accounting manager, and head of internal audit.
- (10) Annual and semi-annual financial reports.
- (11) Major matters stipulated by Accton or competent authorities.

The Audit Committee holds regular meetings every quarter, and requires the managers of relevant departments, internal auditors, accountants, legal counsel or other personnel to attend and provide relevant necessary information within the scope of its power.

2. Remuneration Committee

To improve corporate governance and strengthen the remuneration management function of the Board of Directors, assist in the implementation and evaluation of Accton's overall remuneration and benefits policies, as well as the remuneration of Directors and senior managers, Accton established the Remuneration Committee in 2011, consisting of all Independent Directors. Meetings are held at least three times a year and are convened as necessary at any time to provide recommendations to the Board for reference in decision-making.

A. The power of Accton's Remuneration Committee:

- (1) Establish and periodically review the performance evaluation and remuneration policy, system, standards and structure for Directors and managers.
- (2) Regular assessment and determination of remuneration of Directors and managers.

B. The Remuneration Committee shall perform its functions according to the following standards:

- (1) The performance evaluation and remuneration of Directors and managers shall be given with reference to the prevailing standards of the industry and taken into account the reasonableness of the correlation between the company's business performance and future risks.
- (2) The Directors and managers shall not be guided to involve in the actions that exceed Accton's risk appetite for remuneration.
- (3) The proportion of remuneration for the short-term performance of Directors and senior managers, as well as the time of payment of partial changed remuneration shall be determined in consideration of the industry characteristics and the nature of Accton's business.

C. Information Disclosure System

The Company currently has a comprehensive information disclosure system to ensure that shareholders can obtain the Company's latest and most accurate information as their investment reference. Adhering to the principles of accuracy, integrity and fairness, the Company discloses a variety of information concerning operation, finance, Board resolutions, President's philosophy and guiding principles, etc.

公司治理施行原則及其架構

A. 施行原則

本公司極為重視公司治理並依下述原則辦理，期以國際最高標準之模式落實公司治理：

1. 重大訊息申報即時揭露，並於公司網站建置投資人專區與投資者關係專區，以服務股東。
2. 增進董事會與經營團隊之良性互動與制衡。
3. 設置獨立董事，確保董事會的獨立性與公平性。
4. 評估會計師，並由會計師出具獨立性聲明書，確保會計師之獨立性與公平性。
5. 設立薪酬委員會，以強化公司治理及健全公司董事及經理人薪資報酬制度。
6. 具體明確的股利政策。
7. 股東會議案逐案票決並採電子投票行使表決權，充分落實股東權利之行使。
8. 遵循公司治理守則，秉持誠信經營原則並落實內部稽核之機制。

B. 公司治理之落實

本公司之公司治理架構下設置功能性委員會，目前設置有「審計委員會」與「薪資報酬委員會」。

1. 「審計委員會」：

本公司審計委員會由全體獨立董事組成，旨在協助董事會履行監督公司，提高公司治理績效。其職權包括：

- (1)訂定或修正內部控制制度。
- (2)內部控制制度有效性之考核。
- (3)訂定或修正取得或處分資產、從事衍生性商品交易、資金貸與他人、為他人背書或提供保證之重大財務業務行為之處理程序。
- (4)涉及董事自身利害關係之事項。
- (5)重大之資產或衍生性商品交易。
- (6)重大之資金貸與、背書或提供保證。
- (7)募集、發行或私募具有股權性質之有價證券。
- (8)簽證會計師之委任、解任或報酬。
- (9)財務、會計或內部稽核主管之任免。
- (10)年度財務報告及半年度財務報告。
- (11)其他公司或主管機關規定之重大事項。

審計委員會每季召開定期會議，於其職權範圍內，得要求相關部門經理人員、內部稽核人員、會計師、法律顧問或其他人員列席並提供相關必要資訊。

2. 「薪資報酬委員會」：

為健全公司治理及強化董事會薪酬管理機能，協助執行與評估公司整體薪酬與副利政策，以及董事及高階經理人之報酬，本公司於 100 年設置薪酬委員會，由全體獨立董事組成，至少每年開會三次，並得視需要隨時召開會議，向董事會提出建議，以供其決策之參考。

A. 本公司薪資報酬委員會職權：

- (a).訂定並定期檢討董事及經理人績效評估與薪資報酬之政策、制度、標準與結構。
- (b).定期評估並訂定董事及經理人之薪資報酬。

B.薪資報酬委員會履行職權時，依下列標準為之：

- (a).董事及經理人之績效評估及薪資報酬應參考同業通常水準支給情形，並考量與個人表現、公司經營績效及未來風險關連合理性。
- (b).不應引導董事及經理人為追求薪資報酬而從逾越公司風險胃納之行為。
- (c).針對董事及高階經理人短期績效發放紅利之比例及部分變動薪資報酬支付時間應考量行業特性及公司業務性質予以決定。

C. 資訊揭露制度

本公司目前已有完善的資訊揭露制度，以確保股東能取得公司最新、最正確的訊息作為投資依據，以正確詳實、公平揭露為原則，即時提供各項有關於營運、財務、董事會決議、總經理之經營理念及方針等。