

YA HORNG ELECTRONIC CO., LTD.

Management of the operation of the Remuneration Committee

Article 1 Purpose

In order to improve the company's directors, supervisors and managers pay system, in line with the Law and the results of the company's operations.

Article 2 Scope

Where matters relating to the powers and powers of the Company's Pay and Compensation Commission are otherwise provided by decree or articles of association, they shall be in accordance with the rules of the organization of the Company's Remuneration and Compensation Commission.

Article 3 Content

1. Disclosure for public reference :

This Corporation shall upload the content of this Charter to its website and the Market Observation Post System (MOPS) for public reference.

2. Functions of the Committee :

The functions of the Committee are to professionally and objectively evaluate the policies and systems for compensation of the directors, supervisors, and managerial officers of this Corporation, and submit recommendations to the board of directors for its reference in decision making.

3. Committee composition :

The Committee shall consist of 3 members appointed by resolution of the board of directors. One of the members shall serve as convener.

The professional qualifications and degree of independence of the members of the Committee shall meet the requirements set out in of the Regulations.

4. Terms of Committee members and appointments to fill vacancies :

The term of the Committee members shall be the same as that of the board of directors by whom they were appointed.

When a member of the Committee is dismissed for any reason, resulting in there being less than three members, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence.

5. Scope of duties :

(1) Periodically reviewing this Charter and making recommendations for amendments.

(2) Establishing and periodically reviewing the annual and long-term performance goals for the directors, supervisors, and managerial officers of this Corporation and the policies, systems, standards, and structure for their compensation.

(3) Periodically assessing the degree to which performance goals for the directors, supervisors, and managerial officers of this Corporation have been achieved, and setting the types and amounts of their individual compensation.

"Compensation" paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors, supervisors, and managerial officers as set out in the Regulations Governing Information to be

Published in Annual Reports of Public Companies.

6. Convening and holding of meetings :

Meetings of the Committee shall be held at least 2 times a year. In convening a meeting of the Committee, a notice setting forth the subjects to be discussed at the meeting shall be given to each member at least 7 days in advance. In emergency circumstances, however, the meeting may be convened on shorter notice. The above notice is available electronically (E-Mail).

Among the Committee members there are 2 independent directors. One of the independent directors shall be elected by all members the Committee as the convener and meeting chair. If the convener takes leave or is unable to convene a meeting for any reason, the convener shall appoint another independent director on the Committee to act in his or her place. If there is no other independent director on the Committee, the convener shall appoint another Committee member to act on his or her behalf. If the convener does not make such an appointment, a member of the Committee shall be elected by and from among the other members on the Committee to serve as convener.

7. Drafting of meeting agendas :

The Committee's meeting agenda shall be drafted by the convener. Other members may submit motions to the Committee for discussion.

Meeting agendas shall be forwarded to the Committee members in advance.

When a meeting of the Committee is held, an attendance book shall be made available for sign-in by the Committee members in attendance and thereafter made available for reference.

The Committee members shall attend the meeting in person. If a member is unable to attend the meeting in person, the member may appoint another member to attend as his or her proxy.

Attending a meeting via telecommunications will be deemed attendance in person.

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

8. Resolution method :

Resolutions at meetings of the Committee shall be adopted with the consent of one half or more of the entire membership. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chair no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote.

The result of the vote under the preceding paragraph shall be made known immediately and recorded in writing.

9. Meeting minutes :

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

(1) The session, time, and place of the meeting.

(2) The name of the meeting chair.

(3) Attendance of the Committee members at the meeting, specifying the names and the number of members present, excused, and absent.

(4) The names and titles of those attending the meeting as non-voting participants.

(5) The name of the minute taker.

(6)The matters reported at the meeting.

(7)Agenda items: For each proposal, the method of resolution and the result, and any objections or reservations expressed by the Committee members.

(8)Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; and any objections or reservations expressed.

(9)Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee; if the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chair and the minute taker. A copy of the minutes shall be distributed to each member on the Committee within 20 days after the meeting, and shall be presented to the board of directors and retained as important corporate records for 5 years. The meeting minutes may be produced and distributed in electronic form.

If, before the expiration of the retention period under the preceding paragraph, any litigation arises in connection with any matter relating to the Committee, the meeting minutes shall be preserved until the conclusion of the litigation.

10.Implementation of meeting resolutions :

The execution of tasks relating to resolutions adopted by the Committee in accordance with its duties under , may be delegated to the con vener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during th e implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

11.Resources to be provided when the Committee exercises its powers :

When the Committee calls a meeting, it may request directors, managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of this Corporation to attend the meeting as non-voting participants and to provide pertinent and necessary information.

The Committee may, at the expense of this Corporation, resolve to retain the service of an attorney, certified public accountant, or other professional to conduct a necessary audit or to provide advice on matters relating to the exercise of the Committee's powers.

Article 4 Source basis

It shall be handled in accordance with the provisions of Article 3 of the Measures for the Establishment and Exercise of Competence by the Remuneration Committee of companies listed in stocks or bought and sold in the securities dealer's office.

Article 5 Enforcement

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

Article 6 Correction scored

The present Measures are scheduled for March 16, 101 of the Republic of China.

Text Series	Internal audit system -	System (repair) scheduled	Version
IC-IA-AD	Attachment (AD)	2011/12/05	D

Each cycle job item audit procedure
Internal management system (AD)

19. Management of the operation of the Remuneration Committee (AD19)

19.1 Audit purposes : to enable the Company to comply with the requirements of the securities authority and to establish relevant operations for the management of the operation of the Remuneration Committee.

19.2 Audit time and method : Implement the edging of the nuclear program As determined by the results of the previous annual risk assessment and approved by the Board of Directors.

19.3 Audit procedures : Audit according to the following procedures, and according to professional judgment approved by the audit supervisor, according to the actual situation to make appropriate adjustments.

19.3.1 check whether the remuneration committee's organizational procedures are placed on the company's website and the public information observatory.

19.3.2 to check whether the members of the remuneration committee have submitted it to the board of directors for decision.

19.3.3 check whether a power of attorney is issued when the remuneration committee member entrusts other members to attend.

19.3.4 check whether the procedure for convening the meeting and whether the issuance of proceedings shall be handled in accordance with the provisions of the agenda.

19.3.5 to check whether the remuneration committee has assessed the remuneration policies and systems of directors, supervisors and managers of the company and made recommendations to the board for their decision-making purposes.

19.3.6 check whether the remuneration committee is convened on a regular basis and make proceedings.