

Wistron Corporation
Procedures Governing Loaning of Funds

The Company shall follow the Procedure set forth below for loaning funds to other parties.

Article 1 The party to whom the Company may loan its funds

The Company may loan funds to other parties (the “Borrower”) pursuant to the Procedure when a company with which it does business, or subsidiaries in need of funds for a short term period which the Company holds more than fifty percent (50%) of the shares.

Article 2 Evaluation standards for loaning funds to others

1. In the event the Company loans funds to other parties by reason of business relations, the aggregate amount of the loan shall not exceed the net worth of total trading amount between the two companies in the most recent year. The net worth of total trading amount between two companies hereby means the total purchases or sales whichever is higher.
2. For the companies in need of funds for a short term period, the Borrower shall be limited to subsidiaries in which the Company holds more than 50% of the shares.

Article 3 Limits on the total loan amount and respective parties’ loan amount

1. The total loan amount to others shall not exceed the 50% of the net worth of the latest financial report of the Company, among that, for the companies in need of funds for a short term period, the loan amount shall not exceed the 40% of the net worth of the latest financial report of the Company audited or reviewed by the accountant.
2. The limit amount for loaning to a company having business relationship with the Company should vary according to the situations as follows:
 - (1) When any enterprise in which the Company holds more than 50% of the shares, the loan amount shall not exceed the 10% of the net worth of the Company.
 - (2) When any enterprise in which the Company holds less than 50% of the shares, the loan amount shall not exceed the 40% of the net worth of that enterprise and the 5% of the net worth of the Company.
 - (3) For the other Borrower, the loan amount shall not exceed the 25% of the net worth of the Borrower and the 5% of the net worth of the Company.
3. The limit amount for loaning to a Borrower in need of funds for a short term period shall not exceed the 10% of the net worth of the Company.

Article 4 Term for loans of funds and the method of calculating interest rate

The term of each loan shall not exceed one (1) year.

The interest rate shall be determined by Chairman of Board of Directors or the Chairman's designee.

Article 5 Procedures for handling loans of funds

1. The Borrower shall enclose copies of the business related certificates, identity card of person in charge of the business and essential financial materials and file a loan amount application to Company. After facilitating the evaluation and credit checking, the financial department will report to the Board of Director for approval. However, the subsidiaries which the Company directly and indirectly holds more than 50% of the voting shares could be exempted from providing the documents mentioned above.
2. The loans of the company and subsidiaries or subsidiaries and subsidiaries shall be submitted to the Board of Directors for approval in accordance with aforesaid Article. Once the loans are approved by the Board, the chairman of the Board is authorized to allocate the fund within a year under approved limits in several installments or revolving allocations.
3. The aforesaid loan amount shall be in accordance with Article 3. The loan amount of the Company or its subsidiaries' to any single enterprise shall not exceed 10% of the net worth of the latest financial report of the Company or the subsidiaries. However, the limit on total loan amount and respective parties' loan amount between two foreign subsidiaries and between foreign subsidiaries and the Company, the foreign subsidiaries means the Company directly and indirectly holds 100% of the voting shares, shall not exceed the net worth of the latest financial report of the Company.
4. Upon ratification of the loan amount, the Borrower shall file related forms to the financial department to apply for withdrawal.

Article 6 Procedures for Ratification

1. When the Borrower applies for a loan from the Company, it shall submit concrete description of necessity and reasonableness and the financial department will determine whether to accept the application or not.
2. Besides, the financial department shall make an impact assessment based on the possibility of operation risk, financial condition and shareholder's rights and interests after loaning fund to Borrower and submit an opinion statement to the Board of Directors for approval.
3. When the Borrower, except for the subsidiaries which the Company directly and indirectly holds more than 50% of the voting shares, applying for a withdrawal of

capital from the Company, the Company should request the Borrower to provide the same amount of a cheque/promissory note or secure a collateral equivalent to the endorsement and/or guarantee amount. The financial department shall evaluate and mark the value of the collateral.

Article 7 Announcement and reporting procedures

1. The Company shall announce and report the previous month's balance of loan of funds of itself and its subsidiaries by the 10th day of each month to Market Observation Post System.
2. The Company and subsidiaries whose loan balance reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence to Market Observation Post System:
 - (1) The aggregate balance of the Company and its subsidiaries' loan reaches 20 percent or more of the company's net worth as stated in its latest financial statement audited or reviewed by the accountant.
 - (2) The balance of the Company and its subsidiaries' loan for a single enterprise reaches 10 percent or more of Company's net worth as stated in its latest financial statement audited or reviewed by the accountant.
 - (3) The balance of the Company or its subsidiaries' newly added loan reaches NT\$10 million or more and the aggregate amount of loan reaches 2 percent or more of Company's net worth as stated in its latest financial statement audited or reviewed by the accountant.
3. The Company shall announce and report on behalf of any subsidiary not categorized as domestic public companies and their directly or indirectly held subsidiaries any matters that such subsidiary is required to announce and report pursuant to the third subparagraph of the preceding paragraph.

Article 8 Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights

1. The Company's Chief of Staff Office shall prepare a registry containing the subject of the basic information of the Borrower, the passing date and the ratified amount of the loan of the Board of Directors, the issuing date of the loan, the amount of the loan, collateral, interest rate, and reimbursement date and method etc. for the examination of competent authorities and related personnel.
2. After appropriating the fund, financial department shall examine the financial status, business status and related credit status of the Borrower and guarantor, and if there is any collateral provided, financial department should pay attention to the alteration of its secured value. If there is significant violation, the personnel shall inform the Chairman of Board of Directors and handle the matters under his instructions.

3. When reimbursing the loan on due date or before the due date, the Borrower should calculate the interest rate in advance and reimburse the loan with principal. Then, the Company may return the promissory note with cancellation of the loan of funds or eliminate the collateral registration.
4. Borrower should reimburse the principal and the interest when the due date comes. If failing to reimburse at the due date, the Company may dispose the collateral directly and redeem it for the Company's loss.
5. If any event causes non-conformity of Borrower's qualification and the loan amount with the Procedure, the Company shall enact the revised plan, send it to the Audit Committee and rectify it accordingly.

Article 9 Penalty for violation of the Procedure Loaning Funds to Others by managers or personnel in charge

When the Company's employees and personnel violate the Procedure, they will be punished according to the "Personnel Administration Regulation" and the related regulations.

Article 10 Procedures for controlling and managing loans of funds to others by subsidiaries

When a subsidiary not categorized as domestic public companies and their directly or indirectly held subsidiaries plans to loan fund to others, the subsidiary should enact "Procedures Governing Loaning of Funds," report to Board of Directors for approval, and handle the matters according to its Procedures. Its Procedures Governing Loaning of Funds should follow the precedent of this Procedure. However, the loan amount and respective party's loan amount shall not exceed the amount described as follows:

The limits of a subsidiary on total loan amount and respective parties' loan amount should calculate based on subsidiary's net worth pursuant to Article 3 of this Procedure. However, the restrictions of limits on the total loan amount and term for loans under Paragraph 1 of Article 3 and Article 4 of this Procedure do not apply between two foreign subsidiaries and between foreign subsidiaries and the Company, the foreign subsidiaries means the Company directly and indirectly holds 100 percent of the voting shares, but the limits of total loan amount and respective parties' loan amount should not exceed the net worth of the Company and should meet the term for loans set in the procedure by foreign subsidiary.

Article 11 Subject to the Generally Accepted Accounting Principles, the Company shall make sufficient provision based on the condition of its loan profile, adequately disclose information in the financial statements, and provide external auditors with necessary information for conducting due auditing.

Article 12 The internal verification personnel of the Company shall verify the Procedure and its implementation and make a report in writing for record. If there is significant violation, the personnel shall inform Audit Committee in writing.

Article 13 When the Company submits the loaning of funds for the Board of Directors' approval, the board shall fully take each independent director's opinions into consideration and record each director's reasons for pros and cons in the minutes.

Article 14

1. If the Company plans to provide significant loan to other parties, the plan shall be approved by more than half members of all the Audit Committee and submitted to Board of Directors for resolution.
2. If the above plan that has not been approved by the Audit Committee, the plan shall be approved by the Board of Directors with two-thirds of all directors and the resolution of Audit Committee shall be recorded in the Board of Directors minutes.
3. The Audit Committee members and the Board of Directors members in this Article and Article 15 will only calculate the members in present position.

Article 15

1. The Procedure, as well as any revision thereto, shall be approved by more than half members of all the Audit Committee pursuant to related regulations, and submitted to the Board of Directors for resolution and later be effective after approved by shareholders' meeting.
2. If the above plan that has not been approved by the Audit Committee, the plan shall be approved by the Board of Directors with two-thirds of all directors and the resolution of Audit Committee shall be recorded in the Board of Directors minutes.

Article 16 (Deleted)

Article 17 The Procedure was enacted on May 7, 2002
The 1st amendment was made on June 17, 2003
The 2nd amendment was made on June 23, 2009
The 3rd amendment was made on June 18, 2010
The 4th amendment was made on June 14, 2013
The 5th amendment was made on June 11, 2014.
The 6th amendment was made on June 26, 2015.
The 7th amendment was made on June 14, 2018.
The 8th amendment was made on June 12, 2019.