

Pacific Hospital Supply Co., Ltd.

Directions for the Implementation of Continuing Education for Directors and Supervisors

Article 1

These Directions are specially adopted pursuant to the Corporate Governance Best-Practice Principles to encourage this company to arrange for newly appointed or re-appointed directors (including independent directors) and supervisors to enrich and update their knowledge on an ongoing basis, and to fulfill the following purposes:

1. To urge corporate directors and supervisors to enhance their professional expertise and legal knowledge.
2. To assist corporate directors and supervisors to develop their exceptional qualities and decision-making abilities.
3. To lead corporate directors and supervisors to step up exchanges of their experience and mutual communication and interaction.
4. To promote the effective implementation by corporate directors and supervisors of the corporate governance system.

Article 2

Except as otherwise provided by laws and regulations, continuing education for directors and supervisors of this company shall be governed by these Directions.

Article 3

The company shall integrate all resources for corporate governance, and establish mechanisms and methods for continuing education for directors and supervisors, so that they can have easy access to relevant information, and maintain their core values and professional edge and ability.

Article 4

To enliven the continuing education environment for directors and supervisors, the company shall encourage interaction between directors and supervisors of different companies through international organizations or private institutions promoting and advocating corporate governance.

Article 5

The company shall, through systematic promotion and implementation, enable its directors and supervisors to achieve maximize actual effectiveness out of continuing education, with the help of a curriculum design that is computerized, diversified, user-friendly, and flexible.

Article 6

Applicable Subjects:

1. The company shall make plans and arrangements for the persons on the list of elected directors (including independent directors) and supervisors for each term, and if there is any change to the list of directors and supervisors, shall make corresponding additions, deletions, and adjustments to the plans and arrangements.
2. "Newly appointed" directors and supervisors in these Directions means those serving for the first time as a director or supervisor of a TWSE or TPEX listed company.
3. "Re-appointed" directors and supervisors in these Directions means those serving another term as a director or supervisor of a TWSE or TPEX listed company.

4. Temporal continuity or continuous appointment at the same TWSE or TPEX listed company across terms of service is not required for a determination of being "re-appointed" under the preceding paragraph. However, if the company at which the appointed person previously served becomes TWSE or TPEX listed only after the person has completed his or her term of service has been dismissed for any reason, that term may not be deemed as a first term.

Article 7

Continuing Education Hours:

Continuing professional education (CPE) hours for directors and supervisors of the company shall be governed by Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.

Article 8

Continuing Education Scope:

To assist each director and supervisor in gaining, through continuing education, the abilities under all subparagraphs of Article 20, paragraph 4, and Article 43 of the Principles, it is advisable for a TWSE or TPEX listed company to consider topics extending beyond the scope of the professional expertise of the directors and supervisors, and to select courses encompassing corporate governance related topics such as finance, risk management, business, commerce, legal affairs, accounting, and corporate social responsibility, or courses relating to internal control systems or liability for financial reports.

Article 9

Continuing Education System:

The company shall turn to Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies when arranging continuing education for directors and supervisors

Article 10

Continuing Education Arrangements and Information Disclosure:

1. The company shall have an understanding of the educational background, work experience, and professional expertise of all of its directors and supervisors, and make appropriate arrangements for the times and contents of continuing education for each person, taking into consideration the company's main operational focus and main directions of business development.
2. The directors and supervisors of the company shall regularly file with the company documentary proof of their continuing education. The company shall regularly review the status of the continuing education of its directors and supervisors.
3. The company shall disclose in its prospectuses, annual reports, on the Market Observation Post System, and on the company website information on the continuing education status of its directors and supervisors pursuant to the Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses, Regulations Governing Information to be Published in Annual Reports of Public Companies, and Corporate Governance Best-Practice Principles for TWSE or TPEX Listed Companies.

Article 11

These directions, and any amendments hereto, shall be implemented after adoption by the board of directors.