

FIC Global Inc.
Corporate Governance Best Practice Principles

Established on June 26, 2024

Chapter 1 General Provisions

Article 1

In order to establish a sound corporate governance system and promote the healthy development of the securities market, the Company has formulated its Corporate Governance Best Practice Principles; with reference to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, jointly developed by the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX), to establish an effective corporate governance framework for compliance.

Article 2

In addition to complying with laws and regulations, the Company's Articles of Incorporation, and any contracts and other regulatory matters signed with the stock exchange or Taipei Exchange, the Company shall establish its corporate governance system in accordance with the following principles:

- I. Protect shareholders' interests.
- II. Strengthen the functions of the Board of Directors.
- III. Exercise the functions of the Audit Committee.
- IV. Respect the rights and interests of stakeholders.
- V. Enhance information transparency.

Article 3

The Company shall, in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, take into account the overall operating activities of the Company and its subsidiaries, design and implement its internal control system, and review it from time to time in order to respond to changes in the Company's internal and external environment to ensure the continued effectiveness of the system's design and implementation.

In addition to the self-assessment of internal control system, the Company's Board of Directors and management shall review the results of self-assessment of each department at least annually and the audit report of the audit unit on a quarterly basis. The Audit Committee shall pay attention and supervise this. Directors should regularly discuss with internal auditors the discussion of deficiencies in the internal control system, and keep such discussions as tracked and implemented for improvement, and submit a report to the Board of Directors. The Company shall establish communication channels and mechanisms among independent directors, the Audit Committee, and the chief internal auditor and appropriately disclose the communication between the Audit Committee members and the chief internal auditor.

The Company's management should attach great importance to the internal audit unit and personnel, and give them sufficient authority to urge them to check and evaluate the deficiencies of the internal control system and measure the efficiency of operations, to ensure the continuous and effective implementation of the system, and to assist the Board of Directors and management in fulfilling their duties and responsibilities, and implement the corporate governance system.

The appointment, dismissal, evaluation, and remuneration of the Company's internal auditors shall be reported to the Board of Directors, or the Head of Audit shall sign off and the Chairman shall approve.

Article 3-1

The Company shall appoint competent and appropriate corporate governance personnel in accordance with the requirements of the Company's scale, business and management, and shall designate a corporate governance manager in accordance with the regulations of the competent authority, the stock exchange or the Taipei Exchange. The manager will serve as the top manager responsible for corporate governance-related affairs and he/she must be qualified as a lawyer or CPA, or have worked for securities, finance, futures-related institutions or public companies as a manager of legal compliance, internal audit, finance, stock affairs, or corporate governance-related affairs for at least three years.

Corporate governance-related affairs referred to in the preceding paragraph shall at least include the following:

- I. Handling matters related to the meetings of the Board of Directors and the Shareholders; Meeting in accordance with the law.
- II. Preparing minutes of board meeting and shareholders' meeting.
- III. Assisting directors in their assumption of office and continuing education.
- IV. Providing information necessary for the directors to carry out their duties.
- V. Assisting directors in complying with laws and regulations.

- VI. Report to the Board of Directors on whether the qualification of independent directors complies with relevant laws and regulations at the time of nomination, election, and term of office.
- VII. Matters with regard to the change of directors.
- VIII. Other matters stipulated in the Company's Articles of Incorporation or contracts.

Chapter 2 Protection of the Rights and Interests of Shareholders

Section 1 Encouragement of Shareholders' Participation in Corporate Governance

Article 4

The Company's corporate governance system should protect the rights and interests of shareholders and treat all shareholders fairly.

The Company shall establish a corporate governance system that ensures that shareholders are entitled to full knowledge of, participation in, and right to decide on material matters of the Company.

Article 5

The Company shall convene shareholders' meetings in accordance with the Company Act and other applicable laws and regulations, and establish comprehensive rules and procedures for such meetings. Matters that shall be resolved by the shareholders' meetings shall be properly implemented in accordance with the rules and procedures.

The content of resolutions adopted by the Company's shareholders' meetings shall comply with laws and the Company's Articles of Incorporation.

Article 6

The Company's Board of Directors shall properly arrange the agendas and procedures for shareholders' meetings, formulate the principles and operating procedures for shareholders' nomination of directors, independent directors, and motions to shareholders' meetings, and properly handle the motions proposed by shareholders in accordance with the law. Shareholders' meetings shall be arranged at a convenient location and shall be supplemented by video conferencing. Sufficient time shall be reserved with competent personnel assigned to conduct the check-in procedure. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Reasonable time shall be allowed for discussion of the issues and the shareholders shall be given appropriate opportunities to speak.

Shareholders' meetings convened by the Board of Directors shall be chaired by the Chairman of the Board of Directors in person, and shall be attended by more than half of the Board of Directors (including at least one independent director), the Audit Committee convener, and at least one representative from other functional committees. Attendance shall be recorded in the minutes of shareholders' meetings.

Article 7

The Company shall encourage shareholders to participate in corporate governance and appoint a professional shareholder service agent to handle shareholders' meeting affairs, so that shareholders' meetings can be convened under the premise of legal, effective and safe conditions. The Company shall use various means and channels to fully adopt technology-based information disclosure by uploading annual reports, annual financial reports, shareholders' meeting notices, agenda handbooks, and meeting supplementary materials in both Chinese and English simultaneously. Electronic voting shall be adopted in order to increase the percentage of shareholders' attendance at shareholders' meetings, and ensuring that shareholders are able to exercise their shareholders' rights at shareholders' meetings in accordance with laws.

The Company should avoid putting forward extraordinary motions and amendments to original motions at shareholders' meetings.

The Company should arrange for shareholders to vote on the motions at the shareholders' meeting one by one, and on the same day after the shareholders' meeting, the results of shareholders' approval, disapproval and abstentions will be entered into MOPS.

Article 8

The Company shall, in accordance with the Company Act and other applicable laws and regulations, record in the minutes of the shareholders' meetings the year, month, day, place of the meeting, the name of the Chairman and the method by which resolutions were adopted. The minutes shall also include a summary of the essential points of the proceedings and the results of the meetings. For the election of directors and independent directors, the voting method and the number of rights to be elected as directors or independent directors shall be clearly stated.

The minutes of shareholders' meetings shall be properly kept permanently during the existence of the Company and fully disclosed on the Company's website.

Article 9

The Chairman of a shareholders' meeting shall be fully aware of and comply with the Company's Rules and Procedures of Shareholders' Meetings, maintain the smooth flow of the agenda, and shall not announce adjournment at will.

In order to protect the rights and interests of the majority of shareholders, if the Chairman declares the meeting adjourned in violation of the rules of procedure, other members of the Board of Directors shall promptly assist the attending shareholders in electing a Chair in accordance with the legal procedures by more than half of the voting rights represented by the present shareholders and continue the meeting.

Article 10

The Company should respect the shareholders' right to know, strictly abide by the relevant provisions of information disclosure, and provide shareholders with frequent and timely information on the Company's finance, business, insider shareholding and corporate governance status through MOPS or the Company's website.

For equal treatment of shareholders, the aforementioned information should be disclosed in English at the same time.

In order to protect the rights and interests of shareholders and implement equal treatment of shareholders, the Company shall establish internal regulations to prohibit insiders from trading marketable securities using undisclosed information in the market.

The aforementioned regulation should include stock trading control measures for insiders of TWSE/TPEX listed companies from the date they become aware of the Company's financial reports or related performance information. This includes, but is not limited to, a prohibition on directors trading the Company's stock during the 30 days prior to the announcement of the annual financial report and the 15 days prior to the announcement of each quarterly financial report.

Article 10-1

The Company should report the remuneration of directors at the annual shareholders' meeting, including the remuneration policy, the content and amount of remuneration, and its correlation with performance evaluation results.

Article 11

Shareholders shall have the right to share the Company's earnings. In order to ensure the investment rights and interests of shareholders, the shareholders' meeting may audit the reports prepared by the Board of Directors and the reports of the Audit Committee in accordance with Article 184 of the Company Act, and resolve to distribute earnings or offset losses. The shareholders meeting may elect an inspector to perform the audit under the preceding paragraph.

A shareholder may, in accordance with Article 245 of the Company Act, request the court to appoint an inspector to audit the business accounts, property, specific matters, and specific transaction documents and records of the Company.

The Company's Board of Directors, Audit Committee and managers shall fully cooperate with the audit under the preceding two paragraphs and shall not evade, hinder or reject such inspections.

Article 12

The Company's acquisition or disposal of assets, lending of funds, endorsements/guarantees and other major financial business activities shall be handled in accordance with the relevant laws and regulations, and relevant operating procedures shall be established and submitted to the shareholders' meeting for approval, in order to protect shareholders' rights and interests.

When the Company has a merger or public tender offer, in addition to complying with relevant laws and regulations, the Company shall pay attention to the fairness and reasonableness of the merger or tender offer and the transaction, and pay attention to information disclosure and the subsequent soundness of the Company's financial structure.

If the Company's management or major shareholders participate in a merger or acquisition, the Audit Committee members reviewing such transactions must comply with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Additionally, they must not have any related party relationship or conflict of interest with the counterparty of the transaction that could affect their independence. A lawyer with independence must issue a legal opinion to confirm that the design and execution of relevant procedures comply with applicable laws and that all required information has been fully disclosed in accordance with legal requirements.

The qualifications of the aforementioned lawyer must comply with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies; and the lawyer must not have any related party relationship or conflict of interest with the counterparty of the merger or acquisition that could compromise their independence.

The Company's personnel handling the mergers and acquisitions or tender offer-related matters shall be aware of conflicts of interest and recusal.

Article 13

In order to protect the rights and interests of shareholders, the Company should have dedicated personnel to properly handle shareholders' suggestions, questions and disputes.

If a resolution of a shareholders' meeting or Board of Directors violates laws or the Articles of Incorporation, or a director, independent director, or manager violates laws or the Articles of Incorporation in the course of performing their duties and causes damage to shareholders' rights and interests, the Company should properly handle any lawsuit filed by the shareholder according to law.

The Company should establish internal operating procedures to properly handle the above two matters. The Company keeps written records for future reference, and included them into the internal control system for control.

Section 2 Establishment of a Mechanism for Interaction with Shareholders

Article 13-1

The Company's Board of Directors has the responsibility to establish an interaction mechanism with shareholders to enhance the mutual understanding of the Company's goals and development.

Article 13-2

In addition to communicating with shareholders through shareholder meetings and encouraging shareholders to participate in shareholder meetings, the Company's Board of Directors communicates with shareholders in an efficient manner, works with managers and independent directors to understand shareholders' opinions and issues of concern, and clearly explains the Company's policies to win the support of shareholders.

Section 3 Corporate Governance Relationship between the Company and Affiliates

Article 14

The management objectives and responsibilities of the personnel, assets and finance between the Company and its affiliates shall be clearly defined, and risk assessments conducted and appropriate firewalls established.

Article 15

Unless otherwise required by laws and regulations, the Company's managers must obtain the approval of the Board of Directors before concurrently serving as managers of other affiliates.

A director who does anything for himself or herself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

Article 16

The Company shall establish sound management objectives and systems for finance, business, and accounting in accordance with relevant laws and regulations, and shall properly perform comprehensive risk assessments with its affiliates on major banks, customers, and suppliers, and implement necessary control mechanisms in order to reduce credit risk.

Article 17

The Company and its affiliates and shareholders that have business or transactional dealings should establish written regulations on mutual financial and business related operations based on the principle of fairness and reasonableness. The contract price and payment method should be clearly defined, and non-routine transactions and improper transfer of benefits should be avoided.

The written regulations referred to in the preceding paragraph shall include the management procedures for purchase and sale transactions, acquisition or disposal of assets, loaning of funds, and endorsement/guarantee transactions. The relevant material transactions shall be approved by the Board of Directors and approved or reported by the shareholders' meeting.

Article 18

The corporate shareholders with controlling power over the Company shall comply with the following:

- I. To have fiduciary duties to other shareholders, and not to directly or indirectly cause the Company to engage in unethical business practices or other unprofitable operations.
- II. Their representatives shall comply with the relevant regulations established by the Company for exercising rights and participating in resolutions. When attending shareholders' meetings, they shall exercise their voting rights in accordance with the principle of good faith and in the best interests of all shareholders, while fulfilling the duties of loyalty and care expected of directors and independent directors.

- III. The nomination of directors and independent directors shall comply with the relevant laws and regulations and the Company's Articles of Incorporation, and shall not exceed the scope of authority of the shareholders' meeting and the Board of Directors.
- IV. May not improperly interfere with the Company's decision-making or business activities.
- V. May not restrict or hinder the Company's production and operation by means of unfair competition, such as monopolizing procurement or closing sales channels.
- VI. The corporate shareholder representative appointed as a director should meet the professional qualifications required by the Company and should not be reassigned at will.

Article 19

The Company shall, at all times, keep track of the list of major shareholders who hold a larger percentage of the Company's shares and can actually control the Company and the ultimate controller of the major shareholder.

The Company shall regularly disclose the pledge, increase or decrease of the Company's shares, or other important matters that may give rise to shareholdings by the shareholders holding more than 10% of the shares for the supervision of other shareholders.

The major shareholders referred to in Paragraph 1 shall mean shareholders with a shareholding ratio of 5% or more or among the top ten shareholders. However, the Company may set a lower shareholding ratio based on the shareholding ratio of its actual controlling interest.

Chapter 3 Strengthening the Functions of the Board of Directors

Section 1 Structure of the Board of Directors

Article 20

The Company's Board of Directors shall guide the Company's strategies, supervise management, and be accountable to the Company and its shareholders. The operations and arrangements of its corporate governance system shall ensure that the Board of Directors exercises its powers in accordance with laws and regulations, the Articles of Incorporation or the resolutions reached at shareholders' meetings.

The structure of the Company's Board of Directors should be based on the scale of the Company's business development, the shareholding status of major shareholders, and practical operational needs, ensuring an appropriate number of directors as stipulated in the Company's Articles of Incorporation.

The composition of the Board of Directors shall take diversity into account. It shall not be advised that directors concurrently serve as the Company's managers and shall not exceed one-third of the total number of directors. Diversification strategies shall be formulated with respect to the Company's operations, business model and development needs, including but not limited to the following two major standards:

- I. Basic requirements and values: Gender, age, nationality and culture, and the ratio of female directors should reach one-third of the total number of directors.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Members of the Board of Directors shall generally possess the necessary knowledge, skills, and attributes to perform their duties. In order to achieve the ideal goal of corporate governance, the Board of Directors as a whole should have the following capabilities:

- I. Ability to make operational judgements.
- II. Ability to perform accounting and financial analysis.
- III. Ability to operate and manage.
- IV. Ability to manage crises.
- V. Industry knowledge.
- VI. International market perspective.
- VII. Ability to lead.
- VIII. Ability to make decisions.

Article 21

The Company shall, in accordance with the principles of protecting shareholders' rights and interests and fair treatment of shareholders, establish fair, just and open procedures for the election of directors, encourage shareholder participation, and adopt a cumulative voting system in accordance with the Company Act to fully reflect the opinions of shareholders.

Unless approved by the competent authority, more than half of the directors shall not be a spouse or a relative within the second degree of kinship.

When a director is dismissed for cause and the number of directors is less than five, a by-election shall be held at the next shareholders' meeting. However, if the vacancy in the Board of Directors reaches one-third of the number specified in the Articles of Incorporation, an extraordinary shareholders' meeting shall be convened within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

The total shareholdings of the Board of Directors should comply with laws and regulations. The restriction on transfer of individual directors' shares, the setup, cancellation, and change of pledges should be handled in accordance with relevant regulations, and various information should be fully disclosed.

Article 22

The Company shall specify in its Articles of Incorporation that it shall adopt the candidate nomination system for the election of directors, carefully evaluate the qualifications of the nominees and the existence of any other matters set forth in Article 30 of the Company Act, in accordance with Article 192-1.

Article 23

The responsibilities of the Chairman and the general manager or equivalent positions of the Company should be clearly divided.

If the Chairman and the General Manager or other equivalent positions are held by the same individual or if they are spouses or first-degree relatives, the Company should increase the number of independent directors or external directors, ensuring that more than half of the board members do not hold employee or management positions.

If the Company establishes functional committees, their responsibilities should be clearly defined.

Section 2 Independent Director System

Article 24

The Company should establish three or more independent directors in accordance with the Articles of Incorporation, and the number of directors shall not be less than one-third. Independent directors should not hold office for more than three consecutive terms.

Independent directors should have professional knowledge, and their shareholding and concurrent positions should be limited. In addition to complying with relevant laws and regulations, it is not appropriate for directors (including independent directors) or supervisors to serve in more than five TWSE/TPEX-listed companies at the same time, and they should maintain independence within the scope of business. and should not have a direct or indirect interest in the Company.

If the Company and its group enterprises or organizations nominate directors, supervisors, or managers from another company and its group enterprises or organizations as candidates for independent directors, the Company shall disclose this information when accepting nominations for independent director candidates and explain the qualifications of the independent director candidate. If the candidate is elected as an independent director, the Company shall disclose the number of votes cast in favor of the elected independent director.

The group enterprises and organizations in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50% of its endowment, and other institutions or corporate shareholders that are effectively controlled by the Company.

Change of status between independent directors and non-independent directors during their term of office is prohibited.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the rules and regulations of the Taiwan Stock Exchange or Taipei Exchange.

Article 25

In accordance with the Securities and Exchange Act, the Company shall submit the following matters to the Board of Directors for resolution. If an independent director objects to or expresses reservations about any matter,

it shall be recorded in the minutes of the board meeting:

- I. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- II. Adoption of or amendments to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act.
- III. Matters in which a director or independent director is an interested party.
- IV. Asset transactions or derivatives trading of a material nature.
- V. Loans of funds, endorsements, or provision of guarantees of a material nature.

- VI. The offering, issuance, or private placement of equity-type securities.
- VII. The appointment or dismissal of a CPA and their remuneration.
- VIII. The appointment or dismissal of a financial, accounting, or internal audit manager.
- IX. Other matters of a material nature as prescribed by the competent authority.

Article 26

The Company should clearly define the scope of duties of independent directors and assign the relevant manpower and resources to exercise their powers. No other member of the Company's Board of Directors shall obstruct, refuse or evade independent directors from performing business.

The Company should clearly define the remuneration of directors in accordance with the relevant laws and regulations. The remuneration of directors should fully reflect the individual performance and the Company's long-term business performance, while taking the Company's business risks into account. Reasonable remunerations that are different from those offered to general directors may be offered to independent directors.

Section 3 Functional Committees

Article 27

For the purpose of developing monitoring functions and strengthening management mechanisms, the Company's Board of Directors may, taking into account the basis of the size of the Company, nature of business and the number of board members, set up audit, remuneration, risk management, nomination, any other functional committees, and may set up environmental protection, corporate social responsibility or other committees based on the philosophy of corporate social responsibility and sustainable operation, and have them stipulated in the Articles of Incorporation.

Functional committees shall be responsible to the Board of Directors and submit motions to the Board of Directors for resolution. Except when the Audit Committee exercises the powers of supervisor in accordance with Article 14-4, Paragraph 4 of the Securities and Exchange Act.

Functional committees shall have organizational charters approved by the Board of Directors. The organizational charter shall include the number of committee members, term of office, duties, rules of meeting, and resources to be provided by the Company for the exercise of powers.

Article 28

The Company's Audit Committee shall be composed of all independent directors and the number shall not be less than three. One of them shall be the convener, and at least one of them shall have accounting or financial expertise.

The Audit Committee and its independent directors shall exercise their powers and related matters in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committee of Public Companies, and the regulations of the Stock Exchange or Taipei Exchange.

Article 28-1

The Company should establish the Remuneration Committee, with the majority of the members are independent directors. The professional qualifications of its members, the exercise of their powers, the establishment of organizational charters and related matters shall be handled in accordance with the ; Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange;.

Article 28-2

The Company should establish a Nomination Committee and set forth organizational charters, with more than half of its members being independent directors, and an independent director serving as the chairperson.

Article 28-3

The Company should establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers; reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the Company's internal control system for management purposes.

Article 29

To improve the quality of its financial reports, the Company shall establish the position of deputy to its head of accounting.

To enhance the professional abilities of the deputy accounting manager of the preceding paragraph, the deputy's continuing education shall proceed following the schedule of the head accounting manager.

Accounting personnel handling the preparation of financial reports shall also participate in relevant professional development courses for 6 hours or more each year. Those courses may be company internal training activities or may be professional courses offered by professional development institutions for head accounting managers.

The Company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the Company. With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the auditor during the review, and concrete measures for improvement or prevention suggested by the auditor, the Company shall faithfully implement improvement actions. The Company shall establish channels and mechanisms of communication between the independent directors or Audit Committee, and the attesting CPA, and to incorporate procedures for that purpose into the Company's internal control system for management purposes.

The Company shall, based on Audit Quality Indicators (AQIs) as reference, evaluate the independence and suitability of the CPA engaged by the Company regularly, and no less frequently than once a year. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the Board of Directors.

Article 30

The Company should appoint professional and competent legal counsel to provide adequate legal consultation services to the Company or to assist the directors and management in improving their knowledge of the law. This will prevent any infraction of laws or regulations by the Company or its staff and ensure that corporate governance matters proceed pursuant to the relevant legal framework and the prescribed procedures.

When, as a result of performing their lawful duties, directors, independent directors, or management are involved in litigation or a dispute with shareholders, the Company shall retain a legal counsel to provide assistance as circumstances require.

The Audit Committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the Company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the Company.

Section 4 Rules for Board of Directors Meetings and Decision-Making Procedures

Article 31

The Company's Board of Directors shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are deemed inadequate, a director may ask the unit in charge to provide more information or request a postponement of the meeting with the consent of the Board of Directors.

The Company should establish Rules of Procedure for Board of Directors Meetings, which shall follow the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

Article 32

The Company's directors shall exercise a high degree of self-discipline. If a director or a corporate shareholder represented by the director is an interested party with respect to any motion for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that motion and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter.

Matters requiring the voluntary recusal of a director shall be clearly set forth in the Rules of Procedure for Board of Directors Meetings.

Article 33

When a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of the Securities and Exchange Act, the Company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board meeting. If the independent director cannot attend the board meeting in person to voice his/her dissenting or qualified opinion, he/she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board meeting.

In any of the following circumstances, decisions made by the Board of Directors shall be noted in the meeting minutes, and in addition, publicly announced and filed on MOPS two hours before the beginning of trading hours on the first business day after the date of the board meeting:

- I. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
- II. For companies that have established an Audit Committee, matters not approved by the Audit Committee may be ratified if agreed upon by more than two-thirds of all directors.

During a board meeting, managers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the Company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings to assist the directors in understanding the conditions of the Company for the purpose of adopting an appropriate resolution, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34

The Company's personnel attending board meetings shall collect and correctly record the meeting minutes in detail, as well as a summary, the method of resolution, and voting results of all the motions submitted to the board meeting in accordance with relevant regulations.

The minutes of board meetings shall be signed by the Chairman and minute taker of the meeting and sent to each director within 20 days after the meeting. The director attendance records shall be made part of the meeting minutes, treated as important corporate records, and kept safe permanently during the life of the Company.

Meeting minutes may be produced, distributed, and preserved by electronic means.

The Company shall record on audio or video tape the entire proceedings of a Board of Directors meeting and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph, a lawsuit arises with respect to a resolution of a board meeting, the relevant audio or video recordings shall be preserved for a further period, in which case the preceding paragraph does not apply.

Where a board meeting is held via teleconference or video conference, the audio or video recordings of the meeting form a part of the meeting minutes and shall be preserved permanently.

When a resolution of the Board of Directors violates laws, regulations, the Articles of Incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the Company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35

The Company shall submit the following matters to its Board of Directors for discussion:

- I. Corporate business plans.
- II. Annual and semi-annual financial reports. Except for the semi-annual financial reports that are not subject to audit by a CPA as required by law.
- III. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of effectiveness of an internal control system.
- IV. Adoption of or amendments to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The performance assessment and the standard of remuneration of the managers.
- VII. The structure and system of director's remuneration.
- VIII. The appointment or dismissal of a financial, accounting, or internal audit manager.
- IX. A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
- X. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or Articles of Incorporation to be approved by resolution at a shareholders meeting or to be approved by resolution at a meeting of the Board of Directors, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to the Board of Directors for discussion under the preceding paragraph, when the Board of Directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or the Company's Articles of Incorporation. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

Article 36

The Company shall ask the appropriate corporate department or personnel to execute matters pursuant to Board of Directors' resolutions in a manner consistent with the planned schedule and objectives. The Company shall also follow up on those matters and faithfully review their implementation.

The Board of Directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

Section 5 Directors; Duty of Loyalty and Responsibilities

Article 37

Board members shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, board members shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the Articles of Incorporation, board members shall ensure that all matters are handled according to the resolutions of Board of Directors.

The Company should formulate the Regulations Governing the Board Performance Evaluation. Each year, in respect of the Board of Directors and individual directors, the Company shall conduct regularly scheduled performance evaluation through self-evaluation or peer-to-peer evaluation, and may also do so through outside professional institutions or in any other appropriate manner. A performance evaluation of the Board of Directors shall include the following aspects, and appropriate evaluation indicators shall be developed in consideration of the Company's needs:

- I. Degree of participation in the Company's operations.
- II. Improvement in the quality of decision-making by the Board of Directors.
- III. Composition and structure of the Board of Directors.
- IV. Election of the directors and their continuing professional education.
- V. Internal control.

The performance evaluation of board members (self-assessments or peer-to-peer assessments) shall include the following aspects, with appropriate adjustments made on the basis of the Company's needs:

- I. Their grasp of the Company's goals and missions.
- II. Their recognition of director's duties.
- III. Degree of participation in the Company's operations.
- IV. Their management of internal relationships and communication.
- V. Their professionalism and continuing professional education.
- VI. Internal controls.

The Company should conduct performance evaluation of a functional committee, covering the following aspects, with appropriate adjustments made on the basis of the Company's needs:

- I. Degree of participation in the Company's operations.
- II. Recognition of the duties of the functional committee.
- III. Improvement in the quality of decision-making by the functional committee.
- IV. Composition of the functional committee, and election and appointment of committee members.
- V. Internal control.

The Company should submit the results of performance evaluation to the Board of Directors and uses them as reference in determining remuneration for individual directors, their nomination and additional term of office.

Article 37-1

The Company should establish a succession plan for management. The development and implementation of such plan are regularly evaluated by the Board of Directors to ensure sustainable operation.

Article 37-2

The Board of Directors should evaluate and monitor the following aspects of the Company's operation and performance in connection with intellectual properties. This ensures that the Company develops an intellectual property regulatory system in accordance with the Plan-Do-Check-Act cycle:

- I. Formulate intellectual property regulatory policies, objectives and systems that are slightly associated with the operational strategies.
- II. Develop, implement and maintain the intellectual property acquisition, protection, maintenance and utilization management system based on the scale and type.
- III. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property management system.
- IV. Observe internally and externally the risks and opportunities that intellectual property management may present and adopt countermeasures.
- V. Plan for and implement a continuous improvement mechanism to ensure the operation and effects of the intellectual property regulatory regime meet the Company's expectations.

Article 38

If a resolution of the Board of Directors violates law, regulations or the Company's Articles of Incorporation, then at the request of shareholders holding shares continuously for a year or an independent director, or at the request of a director to discontinue the implementation of the resolution, board members shall take appropriate measures or discontinue the implementation of such resolution as soon as possible. Upon discovering a likelihood that the Company would suffer material injury, members of the Board of Directors shall immediately report to the Audit Committee, an independent director member of the Audit Committee in accordance with the preceding paragraph.

Article 39

The Company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director. The Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40

Board members are advised to participate in training courses on finance, risk management, business, commerce, accounting, law or corporate social responsibility offered by institutions designated in the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that employees at all levels will enhance their professionalism and knowledge of the law.

Chapter 4 Respect the Rights and Interests of Stakeholders

Article 41

The Company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the Company, respect and safeguard their legal rights and interests, and designate a stakeholders section on its website.

When any of a stakeholder's legal rights or interests is harmed, the Company shall handle the matter in a proper manner and in good faith.

Article 42

The Company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the Company and its decision-making process.

When any of their legal rights or interest is harmed, the Company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

Article 43

The Company shall establish channels of communication with employees and encourage employees to communicate directly with management, directors, or independent directors so as to reflect employees' opinions about the management, financial conditions, and material decisions of the Company concerning employee welfare.

Article 44

In developing its normal business and maximizing the shareholders' interest, the Company shall pay attention to consumer interests, environmental protection of the community, and public interest issues, and shall give serious regard to the Company's social responsibility.

Chapter 5 Enhancement of Information Transparency

Section 1 Strengthening Information Disclosure

Article 45

Disclosure of information is a major responsibility of the Company and the Company shall perform its obligations faithfully in accordance with the relevant laws and the related TWSE and TPEX rules.

The Company should publish and report the annual financial report before the deadline after the end of the fiscal year, and should also publish and report the financial reports for the first, second, and third quarters, as well as monthly operational status, ahead of the prescribed deadlines.

The Company shall establish an Internet-based reporting system for public information, appoint personnel responsible for gathering and disclosing the information, and establish a spokesperson system so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.

Article 46

In order to enhance the accuracy and timeliness of the material information disclosed, the Company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the Company's financial and business conditions and who are capable of coordinating among departments for gathering relevant information and representing the company in making statements independently.

The Company shall appoint one or more acting spokespersons who shall represent the Company, when the spokesperson cannot perform his/her duties, in making statements independently, provided that the order of authority is established to avoid any confusion.

In order to implement the spokesperson system, the Company shall unify the process of making external statements. The Company shall require management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

The Company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 47

In order to keep shareholders and stakeholders fully informed, the Company shall utilize the convenience of the Internet and set up a website containing the information regarding the Company's finances, operations, and corporate governance. The Company shall also furnish the financial, corporate governance, and other relevant information in English.

To avoid misleading information, the aforementioned website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 48

The Company shall hold an investor conference in compliance with the regulations of the TWSE and TPEX, and shall keep an audio or video record of the meeting.

The financial and business information disclosed in the investor conference shall be disclosed on MOPS and provided for inquiry through the Company's website or other channels in accordance with the TWSE or TPEX rules.

Section 2 Disclosure of Corporate Governance Information

Article 49 The Company shall comply with relevant laws and regulations

The company website should have a dedicated section to disclose the following corporate governance-related information and should be continuously updated:

- I. Board of Directors: This should include biographies of board members and their responsibilities, as well as the board member diversity policy and its implementation status.
- II. Functional committees: This should include biographies of members of each functional committee and their responsibilities.
- III. Corporate governance-related rules and regulations: This should include relevant corporate governance regulations such as the Articles of Incorporation, Rules of Procedure for Board Meetings, and organizational charters for functional committees.
- IV. Important information related to corporate governance: This should include information about the appointed corporate governance manager, among other relevant details.

Chapter 6 Supplementary Provisions

Article 50

The Company shall at all times monitor domestic and international developments in corporate governance as a basis for review and improvement of the Company's own corporate governance mechanisms, so as to enhance their effectiveness.

Article 51

These principles shall be implemented after being approved by the Board of Directors, and the same applies to any amendments.