

Formosa Saint Jose Corp. Corporate Governance Best Practice Principles

Chapter I General Provisions

Article 1

In order to establish a sound corporate governance system, this Company hereby formulates these Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies jointly issued by the Taiwan Stock Exchange Corporation (hereinafter referred to as the "TWSE") and the Taipei Exchange (hereinafter referred to as the "TPEX"), for the Company' s compliance.

Article 2

In establishing its corporate governance system, the Company, in addition to complying with applicable laws and regulations, the Articles of Incorporation, and the relevant provisions of the contracts entered into with the TWSE, shall adhere to the following principles:

1. Establishing an effective corporate governance framework.
2. Protecting shareholders' rights and interests.
3. Strengthening the functions of the Board of Directors.
4. Ensuring the effective operation of functional committees under the Board.
5. Respecting the rights and interests of stakeholders.
6. Enhancing information transparency.

Article 3 (Establishment of an Internal Control System)

1. The Company shall, in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, design and effectively implement an internal control system based on the overall operations of the Company and its subsidiaries. The system shall be continuously reviewed and adjusted in response to internal and external changes in the Company' s environment to ensure its ongoing effectiveness in both design and implementation.

2. In addition to conducting self-assessments of the internal control system, the Board of Directors and management shall, at least annually, review the results of departmental self-assessments and quarterly review the audit reports issued by the internal audit unit. The Audit Committee shall oversee and monitor such reviews. Directors shall periodically meet with internal auditors to discuss identified deficiencies in the internal control system, maintain records of such meetings, and ensure follow-up and implementation of corrective actions, with progress reported to the Board of Directors.
3. The Company shall establish communication channels and mechanisms among the independent directors, the Audit Committee, and the Chief Internal Auditor. The convener of the Audit Committee shall report the communication results between the Audit Committee members and the Chief Internal Auditor to the shareholders' meeting.
4. The Company's management shall attach great importance to the internal audit unit and personnel, granting them sufficient authority to thoroughly examine and evaluate deficiencies in the internal control system and to assess operational efficiency, in order to ensure the system's continuous effectiveness and to assist the Board of Directors and management in fulfilling their responsibilities, thereby implementing sound corporate governance.
5. The appointment, dismissal, performance evaluation, and compensation of internal audit personnel shall be submitted to the Board of Directors for approval, or be approved by the Chairperson of the Board upon the recommendation of the Chief Internal Auditor.

Article 3-1 (Personnel Responsible for Corporate Governance Affairs)

The Company shall, taking into consideration its scale, business operations, and management needs, assign an appropriate number of qualified personnel to handle corporate governance matters. In accordance with the requirements prescribed by the competent authority, the TWSE, or the TPEX, the Company shall designate a Chief Corporate Governance Officer (CCGO), who shall be the highest-ranking executive responsible for corporate governance affairs.

The CCGO shall possess a lawyer's or certified public accountant's license, or have at least three years of experience serving in a managerial position in the legal, compliance, internal audit, finance, shareholder services, or corporate governance

departments of a securities, financial, or futures institution, or a public company. Corporate governance affairs referred to in the preceding paragraph shall include, at a minimum, the following:

1. Handling matters related to meetings of the Board of Directors and shareholders in accordance with applicable laws and regulations.
2. Preparing minutes of the meetings of the Board of Directors and shareholders.
3. Assisting directors in their induction and ongoing professional development.
4. Providing directors with necessary information required for the performance of their duties.
5. Assisting directors in complying with applicable laws and regulations.
6. Reporting to the Board of Directors on the review results regarding the qualifications of independent directors during nomination, election, and tenure, to ensure compliance with relevant laws and regulations.
7. Handling matters related to changes in directors.
8. Performing other duties as stipulated in the Articles of Incorporation or relevant contracts.

Chapter II Protection of Shareholders' Rights

Section 1 Encouraging Shareholders' Participation in Corporate Governance

Article 4 (Protection of Shareholders' Rights)

The Company has established a corporate governance system to protect shareholders' rights and to treat all shareholders fairly. The system ensures that shareholders are fully entitled to be informed of, to participate in, and to make decisions on material matters of the Company.

Article 5

1. The Company shall convene shareholders' meetings in accordance with the Company Act and other applicable laws and regulations, and shall establish comprehensive rules of procedure for such meetings. Matters requiring resolution by the shareholders' meeting shall be handled strictly in accordance

with these procedural rules.

2. The resolutions adopted at shareholders' meetings shall comply with all applicable laws, regulations, and the Articles of Incorporation of the Company.

Article 6 (Proper Arrangement of Shareholders' Meeting Agenda and Procedures)

1. The Board of Directors shall properly arrange the agenda and procedures of the shareholders' meeting, formulate principles and operational procedures for shareholder nominations of directors and submission of proposals, and handle shareholders' proposals submitted in accordance with law appropriately. The shareholders' meeting shall be convened at a convenient location, with video participation available, sufficient time reserved for registration, and qualified personnel designated to handle registration procedures. Shareholders shall not be required to present unnecessary additional documentation beyond reasonable proof of identity. Adequate time shall be allocated for discussion of each agenda item, and shareholders shall be provided appropriate opportunities to speak.
2. For shareholders' meetings convened by the Board, the Chairperson of the Board should personally preside over the meeting, and more than half of the directors (including at least one independent director) and the convener of the Audit Committee should attend in person, along with at least one representative of each functional committee. Attendance details shall be recorded in the minutes of the shareholders' meeting.

Article 7 (Encouraging Shareholders' Participation in Corporate Governance)

1. The Company encourages shareholders to participate in corporate governance and engages professional stock affairs agents to handle the shareholders' meeting to ensure its lawful, effective, and secure conduct.
2. The Company shall make full use of technological means of information disclosure, providing bilingual (Chinese and English) versions of the annual report, annual financial statements, meeting notices, agenda handbooks, and supplementary materials. Electronic voting shall be adopted to increase shareholder participation and ensure shareholders can exercise their rights in accordance with law.
3. The Company shall avoid proposing ad hoc motions or amendments to original proposals during the shareholders' meeting.

4. The Company should conduct voting on each proposal separately, and the results of votes in favor, against, or abstained shall be disclosed through the Market Observation Post System (MOPS) on the same day as the meeting.

Article 8

1. In accordance with the Company Act and applicable regulations, the minutes of the shareholders' meeting shall specify the year, month, day, venue, the name of the chairperson, method of resolution, the essence of the discussions, and their results. The method of voting and the voting results for the election of directors shall be clearly stated.
2. The minutes of shareholders' meetings shall be properly and permanently retained throughout the duration of the Company's existence. If the Company has a website, such minutes should be appropriately disclosed thereon.

Article 9

1. The chairperson of the shareholders' meeting shall be fully familiar with and observe the procedural rules of the meeting, maintaining order and ensuring smooth progress. The chairperson shall not arbitrarily declare adjournment.
2. To safeguard the rights of the majority shareholders, if the chairperson violates the rules of procedure and declares the meeting adjourned without due cause, the remaining directors should assist the attending shareholders in accordance with statutory procedures to elect one among them, by a majority of the voting rights of shareholders present, to serve as the chairperson and continue the meeting.

Article 10 (Ensuring Shareholders' Right to Know and Preventing Insider Trading)

1. The Company values shareholders' right to information and strictly complies with disclosure requirements. Information regarding the Company's financial condition, business operations, insider shareholdings, and corporate governance practices shall be disclosed regularly and promptly via the Market Observation Post System (MOPS) or the Company's website. To ensure equal treatment of shareholders, the aforementioned information shall also be disclosed simultaneously in English.

2. To protect shareholders' rights and ensure equal treatment, the Company establishes internal regulations prohibiting insiders from trading in securities based on undisclosed material information. These regulations include control measures over directors' stock trading from the date they become aware of financial or performance information. Directors are prohibited from trading Company stock during blackout periods — specifically, within 30 days prior to the announcement of the annual financial report and within 15 days prior to the announcement of each quarterly financial report.

Article 10-1 (Reporting of Directors' Remuneration at the Annual Shareholders' Meeting)

At the annual shareholders' meeting, the Company shall report directors' remuneration, including the remuneration policy, details and amounts of individual remuneration, and its relevance to performance evaluation results.

Article 11

1. Shareholders are entitled to share in the Company's profits. To ensure shareholders' investment interests, the shareholders' meeting may, in accordance with Article 184 of the Company Act, examine the statements prepared by the Board and the reports of the Audit Committee, and resolve on the distribution of earnings or the offset of losses. Shareholders may appoint examiners to conduct such review.
2. Shareholders may, pursuant to Article 245 of the Company Act, petition the court to appoint inspectors to examine the Company's financial books, assets, specified matters, transactions, or records.
3. The Board of Directors, Audit Committee, and managerial officers shall fully cooperate with the inspectors' work and shall not evade, obstruct, or refuse their investigation.

Article 12

1. The Company shall conduct significant financial and business activities such as acquisition or disposal of assets, lending of funds, and provision of endorsements or guarantees in accordance with applicable laws and regulations, and shall formulate relevant procedures for submission to the shareholders' meeting for approval to safeguard shareholders' rights.

2. In the event of mergers or tender offers, the Company shall not only comply with relevant laws but also ensure the fairness and reasonableness of the plan and transactions, the adequacy of information disclosure, and the soundness of the post-transaction financial structure.
3. Where management or major shareholders of the Company are involved in a merger, the members of the Audit Committee reviewing the case shall meet the independence requirements set forth in the Regulations Governing the Establishment and Exercise of Powers of Independent Directors of Public Companies, Article 3, and shall not have relationships or conflicts of interest with the counterpart sufficient to affect independence. The relevant procedures shall comply with applicable laws, and information shall be fully disclosed. A legal opinion shall be issued by an independent attorney.

Article 13

1. To protect shareholders' rights, the Company shall designate responsible personnel to properly handle shareholders' suggestions, inquiries, and disputes.
2. If resolutions of shareholders' meetings or the Board of Directors violate laws, regulations, or the Articles of Incorporation, or if directors or managerial officers, in performing their duties, violate such provisions and thereby harm shareholders' rights, the Company shall properly handle any legal action brought by shareholders in accordance with law.
3. The Company should establish internal procedures to properly handle the aforementioned matters, maintain written records for inspection, and include them within the internal control system.

Section 2 Establishing Mechanisms for Interaction with Shareholders

Article 13-1 (Responsibility of the Board to Establish Communication Mechanisms with Shareholders)

The Board of Directors shall be responsible for establishing effective mechanisms for communication and interaction with shareholders to enhance mutual understanding regarding the Company's objectives and development.

Article 13-2 (Efficient Communication and Securing Shareholders' Support)

In addition to communication through shareholders' meetings and encouraging

shareholder participation, the Board of Directors shall communicate with shareholders in an efficient manner. The Board, management, and independent directors shall collectively understand shareholders' opinions and concerns, clearly explain Company policies, and seek shareholders' support.

Section 3 Corporate Governance Relationships Between the Company and Its Related Parties

Article 14

The management objectives and the division of authority and responsibilities regarding personnel, assets, and finances between the Company and its affiliated enterprises shall be clearly defined. Risk assessments shall be properly conducted, and appropriate firewalls shall be established.

Article 15

1. Except as otherwise provided by law, managerial officers of the Company shall not concurrently hold positions as managerial officers of affiliated enterprises.
2. Where a director engages in any business that falls within the scope of the Company's operations for themselves or others, they shall explain the significant aspects of such actions to the shareholders' meeting and obtain its approval.

Article 16

The Company shall, in accordance with relevant laws and regulations, establish sound management objectives and systems for finance, business, and accounting. The Company and its affiliated enterprises shall conduct comprehensive risk assessments regarding principal banks, customers, and suppliers, and implement necessary control mechanisms to mitigate credit risks.

Article 17

1. Financial or business transactions between the Company and its related parties or shareholders shall be conducted on a fair and reasonable basis, with written procedures governing the related operations. Contractual matters shall explicitly stipulate pricing terms and payment methods, and non-arm's-length transactions or improper transfers of benefits shall be strictly prohibited.
2. The written procedures in the preceding paragraph shall include management

processes for transactions such as purchase and sale of goods, acquisition or disposal of assets, lending of funds, and provision of endorsements or guarantees. Material transactions shall be submitted to the Board of Directors for approval and, where required, to the shareholders' meeting for approval or reporting.

Article 18

Institutional shareholders that exercise control over the Company shall comply with the following:

1. They owe a fiduciary duty to other shareholders and shall not directly or indirectly cause the Company to engage in operations that are inconsistent with normal business practice or otherwise detrimental to the Company.
2. Their representatives shall follow the Company's regulations governing the exercise of rights and participation in voting, acting in good faith and in the best interest of all shareholders when attending shareholders' meetings, and fulfilling their fiduciary and duty of care as directors.
3. The nomination of directors shall comply with relevant laws, regulations, and the Articles of Incorporation and shall not exceed the authority of the shareholders' or board meetings.
4. They shall not improperly interfere with the Company's decision-making or obstruct its business operations.
5. They shall not engage in unfair competition practices such as monopolizing procurement or blocking sales channels that restrict or hinder the Company's production or business activities.
6. The representatives designated as directors shall possess the professional qualifications required by the Company and shall not be replaced arbitrarily.

Article 19

1. The Company shall at all times maintain an updated list of major shareholders holding significant percentages of shares or exercising actual control over the Company, as well as the ultimate controllers of such shareholders.
2. The Company shall regularly disclose material changes involving shareholders

holding more than ten percent of the shares, including pledges, increases or decreases in shareholdings, or other significant events that may affect ownership structure, to facilitate supervision by other shareholders.

3. "Major shareholders" as referred to in the preceding paragraphs shall mean shareholders holding five percent or more of the total shares, or ranking among the top ten shareholders by shareholding percentage; however, the Company may, based on actual control conditions, adopt a lower threshold of shareholding percentage.

Chapter III Enhancing the Functions of the Board of Directors

Section 1 Board Structure

Article 20 (Capabilities Required of the Board as a Whole)

1. The Board of Directors of the Company shall guide corporate strategy, supervise management, and be accountable to the Company and its shareholders. All corporate governance practices and arrangements shall ensure that the Board exercises its powers in accordance with applicable laws and regulations, the Company's Articles of Incorporation, and resolutions of the shareholders' meeting.
2. The composition of the Board shall be determined based on the scale of business development and the shareholding structure of major shareholders. In consideration of practical operational needs, the Board shall consist of no fewer than five directors.
3. Board diversity shall be considered in forming the Board. Directors concurrently serving as managerial officers shall not exceed one-third of the total number of Board seats. The Company shall, based on its operations, business model, and development needs, adopt an appropriate diversity policy, including but not limited to the following two dimensions:
 - (1) Basic attributes and values: gender, age, nationality, and culture. The ratio of female directors is recommended to reach one-third of the Board seats.
 - (2) Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

4. Board members shall generally possess the knowledge, skills, and qualities necessary for performing their duties. To achieve the goals of sound corporate governance, the Board as a whole shall possess the following abilities:

- (1) Operational judgment.
- (2) Accounting and financial analysis.
- (3) Business management.
- (4) Crisis management.
- (5) Industry knowledge.
- (6) International market perspective.
- (7) Leadership.
- (8) Decision-making ability.

Article 21

1. To protect shareholder rights and ensure fair treatment, the Company shall establish a fair, impartial, and transparent procedure for director elections, encourage shareholder participation, and adopt the cumulative voting system pursuant to the Company Act to fully reflect shareholder opinions.
2. Except as otherwise approved by the competent authority, more than half of the Board seats must not consist of directors who are spouses or relatives within the second degree of kinship.
3. If vacancies occur such that the number of directors falls below five, the Company shall hold a by-election at the next shareholders' meeting. If the number of vacancies reaches one-third of the Board seats specified in the Articles of Incorporation, the Company shall convene an extraordinary shareholders' meeting for a by-election within sixty (60) days from the date the event occurs.
4. The aggregate shareholding of all directors shall comply with relevant laws and regulations. Any restrictions on directors' share transfers, creation or release of pledges, and other changes shall be handled in accordance with applicable rules and fully disclosed.

Article 22 (Nomination System for Director Elections Provided in the Articles of Incorporation)

The Company shall specify in its Articles of Incorporation that director elections shall adopt the candidate nomination system in accordance with regulations

prescribed by the competent authority. The Company shall prudently assess the qualifications of nominees, including whether they fall under any category stipulated in Article 30 of the Company Act, and proceed pursuant to Article 192-1 of the Company Act.

Article 23 (Clear Division of Authority Among Functional Committees, the Chairperson/President, and the General Manager)

1. The responsibilities of the Chairperson/President and the General Manager shall be clearly defined. The Chairperson/President and the General Manager, or persons holding equivalent positions, shall not be concurrently held by the same individual. If they are held by the same person or by spouses or first-degree relatives, the Company shall increase the number of independent directors.
2. The Company shall establish functional committees and clearly define their responsibilities.

Section 2 Independent Director System

Article 24 (Establishment of Independent Directors as Provided in the Articles of Incorporation)

1. The Company shall appoint no fewer than two independent directors, and they shall constitute not less than one-third of the Board seats. Independent directors shall serve no more than three consecutive terms.
2. Independent directors shall possess professional knowledge, and their shareholdings shall be restricted. Unless permitted by relevant laws and regulations, they shall not concurrently serve as directors (including independent directors) of more than five listed or OTC companies. Independent directors shall maintain independence and shall not have any direct or indirect interest with the Company within the scope of their duties.
3. If the Company and its group entities have mutually nominated directors or managerial officers of another company or its group entities as candidates for independent directors, the Company shall disclose such information when accepting nominations and explain the suitability of the nominee. If elected, the number of votes obtained by such elected independent director shall also be disclosed.
4. The term "group entities" includes subsidiaries of the Company, foundations

to which the Company directly or indirectly contributes more than fifty percent (50%) of total funds, and other entities or organizations under substantial control by the Company.

5. Independent directors and non-independent directors may not change their identity during their term of office.
6. The professional qualifications, shareholding requirements, restrictions on concurrent positions, determination of independence, nomination procedures, and other applicable matters for independent directors shall comply with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters, and the rules of the stock exchange or OTC market.

Article 25

The following matters shall be submitted to the Board for approval pursuant to the Securities and Exchange Act. If any independent director expresses dissent or a reservation, it shall be recorded in the minutes of the Board meeting:

1. Adoption or amendment of internal control systems pursuant to Article 14-1 of the Securities and Exchange Act.
2. Adoption or amendment of procedures for handling major financial and business acts, including acquisition or disposal of assets, derivatives trading, lending of funds to others, endorsements, or guarantees, pursuant to Article 36-1 of the Securities and Exchange Act.
3. Matters involving directors' personal interests.
4. Major asset transactions or derivatives transactions.
5. Major lending of funds, endorsements, or guarantees.
6. Raising, issuing, or private placement of equity-type securities.
7. Appointment, dismissal, or compensation of the certified public accountant.
8. Appointment or dismissal of financial, accounting, or internal audit officers.

9. Other major matters stipulated by the competent authority.

Article 26

1. The Company shall define the scope of authority of independent directors and provide necessary human and material resources. The Company or other Board members shall not obstruct, refuse, or evade independent directors in the performance of their duties.
2. The Company shall determine director remuneration in accordance with applicable regulations. Such remuneration shall adequately reflect the individual director's performance and the Company's long-term operational results, taking into account corporate risks. Reasonable remuneration different from that of non-independent directors may be provided to independent directors.

Section 3 Functional Committees

Article 27

1. To enhance supervision and management functions, the Board may establish Audit, Remuneration, Nomination, Risk Management, or other functional committees, taking into account the Company's scale, business nature, and number of directors. To promote corporate social responsibility and sustainable development, the Company may also establish Environmental Protection, CSR, or other committees, as specified in the Articles of Incorporation.
2. Functional committees shall be accountable to the Board and shall submit proposals to the Board for resolution.
3. Functional committees shall adopt organizational charters, which shall be approved by the Board. Such charters shall specify the number of committee members, term of office, duties, rules of procedure, and resources to be provided by the Company for the exercise of their powers.

Article 28

1. The Company shall establish an Audit Committee.
2. The Audit Committee shall be composed of all independent directors and shall

consist of no fewer than three members. One member shall serve as the convener, and at least one member shall possess expertise in accounting or finance.

3. The exercise of powers and related matters of the Audit Committee and its members shall comply with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules of the stock exchange or OTC market.

Article 28-1

The Company shall establish a Remuneration Committee, with a majority of its members being independent directors. Members' qualifications, exercise of powers, organizational charter, and related matters shall comply with the Regulations Governing the Establishment and Exercise of Powers of Remuneration Committees of Companies Whose Stock is Listed on the Stock Exchange or Traded on the OTC Market.

Article 28-2 (Establishment of a Nomination Committee)

The Company is encouraged to establish a Nomination Committee and adopt an organizational charter. A majority of committee members shall be independent directors, and the committee shall be chaired by an independent director.

Article 28-3 (Whistleblowing Mechanism)

The Company shall establish and publicly disclose internal and external whistleblowing channels and develop a whistleblower protection system. The designated unit shall maintain independence, encrypt and protect whistleblower information, properly restrict access permissions, and develop internal procedures incorporated into the internal control system.

Article 29

1. To enhance the quality of financial reporting, the Company shall appoint a deputy for the chief accounting officer.
2. The deputy for the chief accounting officer shall receive annual continuing education equivalent to that required of the chief accounting officer to strengthen professional competence.
3. Accounting personnel involved in financial report preparation shall receive at

least six hours of professional training annually, either through internal courses or courses provided by professional institutions for accounting officers.

4. The Company shall select professional, responsible, and independent certified public accountants to conduct periodic audits of the Company' s financial position and internal control system. The Company shall thoroughly review and improve any deficiencies or irregularities identified by the accountant and establish communication mechanisms between independent directors or the Audit Committee and the accountant, with related procedures incorporated into the internal control system.
5. The Company shall evaluate, at least annually, the independence and suitability of the appointed accountant with reference to Audit Quality Indicators (AQIs). If the same accountant has been engaged for seven consecutive years, or if penalties or events affecting independence occur, the Company shall assess whether a replacement is necessary and report the assessment results to the Board.

Article 30

1. The Company shall engage qualified professional attorneys to provide appropriate legal consultation services or assist the Board and management in enhancing legal literacy, preventing violations, and ensuring that corporate governance practices operate within the legal framework and statutory procedures.
2. If directors or managerial officers become involved in litigation in the course of duty or disputes with shareholders, the Company shall engage attorneys to provide assistance as necessary.
3. The Audit Committee or its independent director members may, on behalf of the Company, engage attorneys, accountants, or other professionals to conduct necessary audits or provide advice regarding matters within their powers, with fees borne by the Company.

Section 4 Board Meeting Rules and Decision-Making Procedures

Article 31

1. The Board shall meet at least once every quarter and may convene at any time in case of emergencies. The notice of meeting shall specify the agenda and be

delivered to all directors at least seven (7) days prior to the meeting, along with sufficient meeting materials. If materials are insufficient, directors may request supplemental information or a postponement of discussion through Board resolution.

2. The Company shall establish Board meeting rules. The main agenda items, operational procedures, required contents of minutes, public disclosure, and other compliance matters shall conform to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 32

1. Directors shall maintain high self-discipline. For agenda items in which a director or the represented legal person has an interest that may be detrimental to the Company, the director shall disclose the material aspects of the interest at the meeting and shall not participate in discussion or voting, nor vote as a proxy for other directors.
2. Matters requiring directors' recusal shall be specified in the Board meeting rules.

Article 33

1. Independent directors shall attend Board meetings in person for matters required under Article 14-3 of the Securities and Exchange Act and shall not appoint non-independent directors as proxies. If an independent director expresses dissent or reservations, it shall be recorded in the minutes. If unable to attend in person (except for legitimate reasons), the independent director shall submit a written opinion in advance, which shall be recorded in the minutes.
2. For resolutions of the Board involving any of the following circumstances, the Company shall disclose information on the Market Observation Post System (MOPS) before the start of trading hours on the next business day:
 - (1) An independent director expresses dissent or reservations with a recorded or written statement.
 - (2) If the Audit Committee does not approve a matter requiring its consent, approval by at least two-thirds of all directors is required.

3. Depending on the agenda items, relevant managers may be invited to attend the meeting to report operational matters and respond to directors' inquiries. Accountants, attorneys, or other professionals may also be invited to assist the Board in understanding the Company's situation but shall leave during discussion and voting.

Article 34

1. Meeting personnel shall accurately record meeting reports, discussion summaries, voting methods, and results in accordance with relevant requirements.
2. Minutes shall be signed or sealed by the chairperson and minute taker and distributed to all directors within twenty (20) days after the meeting. Attendance records shall form part of the meeting minutes, and minutes shall be permanently stored as important Company records.
3. Minutes may be prepared, distributed, and stored electronically.
4. Audio or video records of entire meetings shall be maintained for at least five (5) years, and electronic storage is permitted.
5. If litigation arises before the expiration of the retention period, the audio or video records shall continue to be retained until litigation is concluded. For meetings held by video conference, recordings form part of the meeting minutes and shall be permanently preserved.
6. If Board resolutions violate laws, regulations, the Articles of Incorporation, or shareholders' resolutions and thereby cause harm to the Company, directors who expressed dissent with a recorded or written statement shall be exempt from liability.

Article 35

1. The following matters shall be submitted to the Board for discussion:
 - (1) Corporate business plans.
 - (2) Annual and semi-annual financial reports. (Semi-annual reports not required to be CPA-reviewed by law are exempt.)

- (3) Adoption or amendment of internal control systems and assessment of their effectiveness under Article 14-1 of the Securities and Exchange Act.
 - (4) Adoption or amendment of procedures for handling major financial and business acts under Article 36-1 of the Securities and Exchange Act.
 - (5) Raising, issuing, or private placement of equity-type securities.
 - (6) Performance evaluation and compensation standards of managerial officers.
 - (7) Structure and system of director remuneration.
 - (8) Appointment or dismissal of financial, accounting, or internal audit officers.
 - (9) Donations to related parties or major donations to non-related parties.
Emergency relief donations for major natural disasters may be submitted to the next Board meeting for ratification.
 - (10) Matters required by the Securities Exchange Act, other laws, the Articles of Incorporation, or major matters specified by competent authorities.
2. For matters not required to be submitted to the Board, the scope, level, and content of authorization conferred during Board recess shall be specific and clear, and blanket authorization is not permitted.

Article 36

The Company shall clearly assign Board resolutions to appropriate units or personnel, ensure implementation according to schedules and objectives, include such matters in tracking management, and conduct performance assessments. The Board shall monitor implementation progress and receive reports at the next Board meeting to ensure execution of Board decisions.

Section 5 Directors' Duty of Loyalty and Responsibility

Article 37 (Directors Shall Faithfully Perform Duties and Exercise the Care of a Good Administrator)

1. Directors shall faithfully perform their duties and exercise the care of a good administrator. Except for matters required by law or the Articles of Incorporation to be resolved by the shareholders' meeting, directors shall

execute Board resolutions faithfully with a high degree of self-discipline and prudence.

2. The Company shall establish Board performance evaluation methods and procedures. In addition to annual self-evaluations or peer evaluations of the Board as a whole and individual directors, the Company may also engage external professional institutions. Evaluation dimensions shall include the following, with appropriate indicators established based on Company needs:
 - (1) Participation in Company operations.
 - (2) Enhancement of Board decision-making quality.
 - (3) Board composition and structure.
 - (4) Director selection and continuing education.
 - (5) Internal control.

3. Evaluation of individual directors (self or peer evaluations) shall include the following dimensions, subject to adjustment based on Company needs:
 - (1) Understanding of Company goals and missions.
 - (2) Understanding of director duties.
 - (3) Participation in Company operations.
 - (4) Internal relationship management and communication.
 - (5) Professional competence and continuing education.
 - (6) Internal control.

4. Performance evaluation of functional committees shall include the following dimensions, subject to adjustment based on Company needs:
 - (1) Participation in Company operations.
 - (2) Understanding of committee duties.
 - (3) Enhancement of committee decision-making quality.
 - (4) Committee composition and member selection.
 - (5) Internal control.

5. The Company shall submit performance evaluation results to the Board and use such results as reference for individual director remuneration and re-nomination.

Article 37-1

The Company is encouraged to establish a succession plan for management and

the Board shall regularly review the plan' s development and implementation to ensure sustainable operations.

Article 37-2 (Intellectual Property Management System)

The Board shall evaluate and supervise the Company' s intellectual property ("IP") direction and performance in order to establish an IP management system based on the cycle of planning, execution, inspection, and action, by ensuring:

1. Formulation of IP management policies, objectives, and systems aligned with business strategies.
2. Establishment, implementation, maintenance, and utilization of systems governing acquisition, protection, maintenance, and exploitation of IP according to Company size and type.
3. Provision of adequate resources necessary for effective implementation and maintenance of the IP management system.
4. Monitoring of internal and external risks or opportunities related to IP management and adoption of responsive measures.
5. Planning and implementation of continual improvement mechanisms to ensure the IP management system meets expected performance.

Article 38

If a Board resolution violates laws or the Articles of Incorporation, shareholders holding shares continuously for at least one year or independent directors may request the Board to cease execution of such resolution, Board members shall promptly address or suspend implementation of the resolution. If the Board becomes aware of potential significant harm to the Company, it shall follow the preceding requirements and immediately report to the Audit Committee or its independent director members.

Article 39

1. To mitigate and diversify risks of significant damage caused to the Company or shareholders due to errors or negligence in the performance of directors' duties, the Company shall procure liability insurance for directors during their term of office.

2. After procuring or renewing such insurance, the Company shall report the amount, scope, and premium of the liability insurance to the next Board meeting.

Article 40

Board members shall, upon assuming office or during their term, attend training programs related to corporate governance—including finance, risk management, operations, business, accounting, law, or corporate social responsibility—offered by institutions designated under the Directions for the Implementation of Continuing Education for Directors of TWSE-Listed and TPEX-Listed Companies. The Company shall also require employees at all levels to enhance their professional and legal knowledge.

Chapter IV Respecting the Rights and Interests of Stakeholders

Article 41 (Communication with Stakeholders and Protection of Their Rights and Interests)

1. The Company shall maintain open and effective communication channels with its stakeholders—including but not limited to banks and other creditors, employees, consumers, suppliers, local communities, and any other parties having an interest in the Company—while respecting and protecting their legitimate rights and interests. The Company shall also establish a dedicated stakeholder section on its official website.
2. When the legitimate rights or interests of stakeholders are infringed, the Company shall handle such matters appropriately and in good faith.

Article 42

The Company shall provide sufficient information to banks and other creditors to enable them to assess the Company's operational and financial conditions and make informed decisions. When their legitimate rights or interests are impaired, the Company shall respond positively and act responsibly to ensure that creditors have proper avenues to obtain compensation.

Article 43

The Company shall establish effective communication channels for employees and encourage them to engage in direct communication with management and

directors, allowing them to appropriately express opinions regarding the Company's operations, financial condition, or major decisions affecting employee interests.

Article 44

While maintaining normal business operations and maximizing shareholders' interests, the Company shall also pay attention to consumer rights, environmental protection, community engagement, and public welfare issues, and shall place importance on fulfilling its corporate social responsibility.

Chapter V Enhancing Information Transparency

Section 1 Strengthening Information Disclosure

Article 45

1. Information disclosure is a critical responsibility of the Company. The Company shall faithfully fulfill its obligations in accordance with applicable laws and regulations, and with the rules prescribed by the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX).
2. The Company is advised to announce and file its annual financial report within two months after the end of each fiscal year, and to announce and file its first, second, and third quarter financial reports as well as monthly operating results ahead of the prescribed deadlines.
3. The Company shall establish an online information reporting system for public disclosure, designate personnel responsible for collecting and disclosing Company information, and establish a spokesperson system to ensure that information which may affect the decisions of shareholders and stakeholders is disclosed accurately and in a timely manner.

Article 46

1. To enhance the accuracy and timeliness of material information disclosure, the Company shall appoint as spokesperson and deputy spokesperson(s) individuals who possess comprehensive knowledge of the Company's financial and business matters, who are capable of coordinating with various departments to obtain relevant information, and who are authorized to independently speak on behalf of the Company.

2. The Company shall appoint one or more deputy spokespersons. When the primary spokesperson is unable to perform their duties, any deputy spokesperson shall be capable of independently speaking on behalf of the Company. The order of delegation shall be clearly defined to avoid confusion.
3. To implement an effective spokesperson system, the Company shall establish unified speaking procedures and require management and employees to maintain the confidentiality of financial and business information, and not to disclose information arbitrarily.
4. Any change in the spokesperson or deputy spokesperson(s) shall be publicly disclosed immediately.

Article 47

The Company shall utilize the convenience of the internet to establish a corporate website, providing financial, business, and corporate governance information for reference by shareholders and stakeholders. The Company is further advised to provide English versions of financial, corporate governance, and other relevant information.

A designated person shall maintain the website, and all information posted shall be accurate, complete, and promptly updated to avoid misinformation.

Article 48

When the Company holds investor conferences, such events shall be conducted in accordance with TWSE or TPEX requirements, and recordings or video footage shall be properly retained. Financial and business information disclosed at investor conferences shall be uploaded to the Market Observation Post System (MOPS) in accordance with TWSE or TPEX rules, and shall also be made available through the Company's website or other appropriate channels.

Section 2 Disclosure of Corporate Governance Information

Article 49 (Disclosure of Corporate Governance Information)

The Company shall establish a dedicated section on its website to disclose corporate governance information, which shall be continuously updated and shall include the following:

1. Board of Directors: Such as the curriculum vitae and responsibilities of board members, board diversity policies, and implementation status.
2. Functional Committees: Such as the curriculum vitae and responsibilities of members of each functional committee.
3. Corporate Governance Regulations: Such as the Articles of Incorporation, Rules of Procedure for Board Meetings, organizational charters for functional committees, and other corporate governance-related regulations.
4. Other Important Corporate Governance Information: Such as information regarding the appointment of the Corporate Governance Officer.

Chapter VI Supplementary Provisions

Article 60

The Company shall continuously monitor developments in domestic and international corporate governance systems and, accordingly, review and improve its own corporate governance practices in order to enhance overall governance effectiveness.

Article 61

These Principles shall take effect upon approval by the Board of Directors. The same shall apply to any amendments hereto.

Article 62

These Principles were established on August 28, 2024.