Sitronix Technology Corporation
Corporate Governance Best-Practice Principles

Chapter 1 General Provisions

Article 1: Purpose

To establish a sound corporate governance system, the Company has adopted these Principles in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" for compliance, so as to build an effective corporate governance framework, and shall disclose these Principles on the Market Observation Post System (MOPS).

Article 2: Principles of Corporate Governance

In establishing its corporate governance system, in addition to complying with laws and regulations, the Articles of Incorporation, and the contracts entered into with the stock exchange and other related rules, the Company shall follow the principles below:

1. Protecting shareholders' rights and interests.
2. Strengthening the powers of the Board of Directors.
3. Emphasizing corporate sustainability and resilience.
4. Enhancing information transparency.

When the Board of Directors oversees management in establishing ethical corporate management policies, sustainable development policies and risk management mechanisms, it shall follow the principles set out in the preceding paragraph and take into consideration the overall business activities of TWSE/TPEx listed companies and their subsidiaries.

Article 3: Establishment of the Internal Control System

In accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, and taking into consideration the overall business activities of the Company and its subsidiaries, the Company shall design and effectively implement its internal control system, and shall review it at all times in response to changes in the Company's internal and external environment, so as to ensure that the design and implementation of the system remain effective.

In addition to effectively conducting self-assessments of its internal control system, the Board of Directors and management shall review the self-assessment results of each department at least once a year and review the audit reports of the internal audit unit on a quarterly basis, and the Audit Committee shall also pay attention to and oversee such matters.

The Company's management shall attach importance to the internal audit unit and its personnel and grant them sufficient authority to effectively examine and evaluate deficiencies in the internal control system and measure operational efficiency, so as to ensure the continued effective implementation of the system and to assist the Board of Directors and management in effectively fulfilling their responsibilities, thereby implementing the corporate governance system.

The appointment, dismissal, evaluation and remuneration of the Company's internal audit personnel should be submitted by the chief internal auditor to the Chairman for approval.

Article 3-1: Personnel in Charge of Corporate Governance Affairs

The Company shall assign an appropriate number of competent corporate governance personnel based on its size, business conditions and management needs, and shall, in accordance with the regulations of the competent authority and the stock exchange, appoint one chief corporate governance officer as the most senior officer in charge of corporate

governance affairs. The chief corporate governance officer shall be qualified to practice as an attorney or a certified public accountant, or shall have served for at least three years in a supervisory position in the legal affairs, legal compliance, internal audit, finance, stock affairs or corporate governance-related affairs unit of a securities, financial or futures-related institution or a public company.

The corporate governance affairs referred to in the preceding paragraph shall include at least the following:

1. Handling matters relating to Board meetings and shareholders' meetings in accordance with the law.
2. Preparing minutes of Board meetings and shareholders' meetings.
3. Assisting directors in taking office and in their continuing education.
4. Furnishing directors with the information required to perform their duties.
5. Assisting directors in complying with laws and regulations.
6. Reporting to the Board of Directors the results of its review of whether the qualifications of independent directors comply with relevant laws and regulations at the time of nomination and election and during their term of office.
7. Handling matters relating to changes of directors.
8. Other matters set out in the Articles of Incorporation or contracts.

The chief corporate governance officer shall complete at least 18 hours of continuing education within one year from the date of first taking up the position, and at least 12 hours of continuing education each year thereafter. The scope, system and other matters of such continuing education shall be handled with reference to the Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEx Listed Companies.

Chapter 2 Protecting Shareholders' Rights and Interests

Section 1 Encouraging Shareholder Participation in Corporate Governance

Article 4: Protecting Shareholders' Rights and Interests

The Company's corporate governance system shall protect shareholders' rights and interests and treat all shareholders equitably. The Company shall also establish a corporate governance system that ensures shareholders are fully informed of, and may participate in and make decisions on, major corporate matters.

Article 5: Convening Shareholders' Meetings and Adopting Comprehensive Rules of Procedure

The Company shall convene shareholders' meetings in accordance with the Company Act and relevant laws and regulations and shall adopt comprehensive rules of procedure. Matters that require resolutions of the shareholders' meeting shall be carried out in accordance with the rules of procedure.

Resolutions of the shareholders' meeting shall comply with laws and regulations and the Articles of Incorporation.

Article 6: Proper Arrangement of Agenda Items and Procedures for Shareholders' Meetings by the Board

The Board of Directors of the Company shall properly arrange the agenda items and procedures for shareholders' meetings, establish principles and procedures for shareholder nominations of directors and for shareholder proposals, and properly handle proposals duly submitted by shareholders. Shareholders' meetings shall be held at a convenient venue,

with sufficient time allowed and an adequate number of suitable personnel assigned to handle attendance registration. No additional supporting documents shall be arbitrarily required beyond those on which shareholders rely to establish their eligibility to attend. Reasonable time shall be allowed for discussion of each agenda item, and shareholders shall be given appropriate opportunities to speak.

For shareholders' meetings convened by the Board of Directors, the Chairman should preside over the meeting in person, and it is advisable that more than half of the directors (including at least one independent director) and the convener of the Audit Committee attend in person, and that at least one member of each other functional committee attend on behalf of that committee. The attendance shall be recorded in the minutes of the shareholders' meeting.

Article 7: Encouraging Shareholder Participation in Corporate Governance

The Company shall encourage shareholders to participate in corporate governance, and should engage a professional shareholder services agent to handle shareholders' meeting affairs, so that shareholders' meetings are convened on a legal, effective and secure basis. Through various means and channels, and by making full use of technology for information disclosure, the Company shall simultaneously upload its Chinese and English annual reports, annual financial reports, meeting notices, meeting handbooks and supplementary meeting materials, and shall adopt electronic voting, in order to increase the shareholder attendance rate at shareholders' meetings and ensure that shareholders may exercise their rights at shareholders' meetings in accordance with the law.

The Company should avoid raising extraordinary motions and amendments to original proposals at shareholders' meetings. In years in which directors are elected, a candidate nomination system shall be adopted.

The Company shall arrange for shareholders to vote on each proposal separately at shareholders' meetings, and shall, on the day of the shareholders' meeting, enter the results of shareholders' votes for, against and abstaining on the MOPS.

Article 8: Minutes of Shareholders' Meetings

In accordance with the Company Act and relevant laws and regulations, the minutes of the shareholders' meeting shall record the year, month, day and venue of the meeting, the name of the chair and the method of adopting resolutions, as well as a summary of the essential points of the proceedings and the results. For the election of directors, the minutes shall state the voting method adopted and the number of votes received by each elected director.

The minutes of shareholders' meetings shall be properly and permanently retained for the duration of the Company's existence, and should be fully disclosed on the Company's website.

Article 9: The Chair of the Shareholders' Meeting Shall Be Fully Familiar with and Comply with the Rules of Procedure Adopted by the Company

The chair of the shareholders' meeting shall be fully familiar with and comply with the rules of procedure adopted by the Company, shall keep the meeting proceeding smoothly, and shall not arbitrarily declare the meeting adjourned.

To protect the rights and interests of the majority of shareholders, if the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors should promptly assist the attending shareholders, in accordance with legal procedures, to elect a new chair by a majority of the votes represented by the attending shareholders to continue the meeting.

Article 10: Respecting Shareholders' Right to Information and Preventing Insider Trading

The Company shall respect shareholders' right to information and shall faithfully comply with the regulations on information disclosure, regularly and promptly providing shareholders with information on the Company's finances, business, insider shareholdings and corporate governance through the MOPS or the Company's website.

To treat all shareholders equally, the various types of information referred to in the preceding paragraph should also be disclosed in English simultaneously.

To safeguard shareholders' rights and interests and ensure equal treatment of shareholders, the Company has adopted the "Procedures for Handling Material Inside Information and Preventing Insider Trading," which prohibit Company insiders from trading securities using non-public information on the market.

The rules referred to in the preceding paragraph should include control measures on stock trading by Company insiders from the date on which they become aware of the content of the Company's financial reports or related results, including (but not limited to) prohibiting directors from trading their shares during the blackout periods of 30 days before the announcement of the annual financial report and 15 days before the announcement of each quarterly financial report.

Article 10-1: Reporting Directors' Remuneration at the Annual General Meeting

The Company should report at the annual general meeting the remuneration received by directors, including the remuneration policy, the content and amount of individual remuneration, and the linkage to the results of performance evaluations.

Article 11: Shareholders' Right to Share in the Company's Profits

Shareholders shall have the right to share in the Company's profits. To ensure shareholders' investment rights and interests, the shareholders' meeting may, pursuant to Article 184 of the Company Act, examine the statements and records prepared by the Board of Directors and the report of the Audit Committee, and resolve on the distribution of profits or the offsetting of losses. In conducting such examination, the shareholders' meeting may appoint an inspector.

Shareholders may, pursuant to Article 245 of the Company Act, petition the court to appoint an inspector to examine the Company's business accounts, financial condition, specific matters, and documents and records of specific transactions.

The Company's Board of Directors, Audit Committee and managerial officers shall fully cooperate with the examinations conducted by the inspectors referred to in the preceding two paragraphs and shall not evade, obstruct or refuse such examinations.

Article 12: Major Financial and Business Transactions Shall Be Approved by the Shareholders' Meeting

The Company shall handle major financial and business transactions such as the acquisition or disposal of assets, loaning of funds to others, and endorsements and guarantees in accordance with relevant laws and regulations, and shall adopt related operating procedures and submit them to the shareholders' meeting for approval, so as to safeguard shareholders' rights and interests.

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

Where the Company's management or major shareholders participate in a merger or acquisition, an independent attorney shall issue a legal opinion on whether the members of the Audit Committee reviewing such merger or acquisition meet the requirements of

Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and have no relationship or interest with the counterparty to the transaction sufficient to affect their independence, whether the design and implementation of the related procedures comply with relevant laws and regulations, and whether information has been fully disclosed in accordance with relevant laws and regulations.

The qualifications of the attorney referred to in the preceding paragraph shall meet the requirements of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the attorney shall not be a related party of the counterparty to the merger or acquisition, nor have any interest therein sufficient to affect his or her independence.

Personnel of the Company handling the matters referred to in the preceding paragraphs shall pay attention to conflicts of interest and recusal.

Article 13: Designated Personnel Should Properly Handle Shareholder Suggestions

To ensure shareholders' rights and interests, the Company should have designated personnel to properly handle shareholder suggestions, doubts and disputes.

Where a resolution of the Company's shareholders' meeting or Board of Directors violates laws and regulations or the Articles of Incorporation, or where a director or managerial officer violates laws and regulations or the Articles of Incorporation in the performance of his or her duties, resulting in damage to shareholders' rights and interests, the Company shall properly handle any lawsuit filed by shareholders in accordance with the law.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13-1: The Board of Directors Is Responsible for Establishing a Mechanism for Interaction with Shareholders

The Board of Directors of the Company is responsible for establishing a mechanism for interaction with shareholders to enhance mutual understanding of the Company's goals and development.

Article 13-2: Communicating with Shareholders Efficiently and Gaining Their Support

In addition to communicating with shareholders through the shareholders' meeting and encouraging shareholders to participate in shareholders' meetings, the Board of Directors of the Company shall communicate with shareholders efficiently and, together with managerial officers and independent directors, understand shareholders' opinions and concerns and clearly explain the Company's policies, in order to gain shareholders' support.

Article 13-3: Formulating and Disclosing Business Strategies and Business Plans

The Company shall formulate and disclose its business strategies and business plans, setting out concrete measures to enhance corporate value, which should be submitted to the Board of Directors, and shall actively communicate them to shareholders.

Section 3 Corporate Governance Relationship between the Company and Its Affiliated Enterprises

Article 14: Establishing Firewalls

The management objectives and responsibilities for personnel, assets and finances between the Company and its affiliated enterprises shall be clearly defined, and risk assessments shall be effectively conducted and appropriate firewalls established.

Article 15: Managerial Officers Should Not Concurrently Serve as Managerial Officers of Affiliated Enterprises

Unless otherwise provided by laws and regulations, managerial officers of the Company should not concurrently serve as managerial officers of its affiliated enterprises, and vice versa.

A director who conducts, for himself or herself or on behalf of others, any act within the scope of the Company's business shall explain the essential contents of such act to the shareholders' meeting and obtain its approval.

Article 16: Establishing Sound Financial, Business and Accounting Management Systems

The Company shall establish sound financial, business and accounting management objectives and systems in accordance with relevant laws and regulations, and shall, together with its affiliated enterprises, properly conduct comprehensive risk assessments of its principal banks, customers and suppliers and implement necessary control mechanisms to reduce credit risk.

Article 17: Business Dealings with Affiliated Enterprises Shall Follow the Principles of Fairness and Reasonableness

Where the Company has business dealings with its affiliated enterprises, it shall, based on the principles of fairness and reasonableness, adopt written rules governing their mutual financial and business operations. Pricing terms and payment methods shall be clearly specified in contracts, and non-arm's-length transactions and improper transfers of benefits shall be strictly prohibited.

The written rules referred to in the preceding paragraph shall include management procedures for purchase and sales transactions, the acquisition or disposal of assets, loaning of funds to others, endorsements and guarantees and other transactions, and related material transactions shall be submitted to the Board of Directors for resolution and to the shareholders' meeting for approval or reporting.

Transactions or contracts between the Company and its related parties and shareholders shall also be handled in accordance with the principles of the preceding paragraph, and any transfer of benefits is strictly prohibited.

Article 18: Matters to Be Observed by Corporate Shareholders with Controlling Power

Corporate shareholders with controlling power over the Company shall observe the following:

1. They shall owe a duty of good faith to other shareholders and shall not, directly or indirectly, cause the Company to conduct business that is contrary to normal business practice or otherwise disadvantageous.
2. Their representatives shall follow the rules adopted by the Company on exercising rights and participating in resolutions, and, when attending shareholders' meetings, shall exercise their voting rights in good faith and in the best interests of all shareholders, and shall faithfully perform the fiduciary duty and duty of care of a director.
3. They shall nominate directors in accordance with relevant laws and regulations and the Articles of Incorporation, and shall not act beyond the scope of authority of the shareholders' meeting or the Board of Directors.
4. They shall not improperly interfere with the Company's decision-making or obstruct its business activities.
5. They shall not restrict or obstruct the Company's production and operations through unfair competition such as monopolizing procurement or closing off sales channels.

6. Corporate representatives designated as a result of their election as directors shall meet the professional qualifications required by the Company and should not be arbitrarily replaced.

Communication between such shareholders with controlling power and the Company shall observe the following principles so as to comply with the preceding paragraph:

1. In principle, communication shall be conducted through the representative designated by the shareholder who has been elected as a director of the Company. Where necessary, such director representative may invite managerial officers of the Company to join the communication with the shareholder, and the Company shall keep records of the communication.
2. Where a shareholder with controlling power has suggestions on Board proposals or the Company's business decisions, such suggestions shall be raised by its director representative at meetings of the Board of Directors or functional committees for exchange of views and engagement. The shareholder shall not convene meetings on its own or otherwise improperly intervene in the Company's decision-making.
3. Shareholders with controlling power and their employees shall keep confidential any material information of the Company that they become aware of before such information is publicly disclosed, and shall not use such information to engage in insider trading.

Where a shareholder with controlling power fails to communicate with the Company in accordance with the principles set out in the preceding paragraph, the Company shall remind the shareholder to act in accordance with the preceding paragraph and notify the chief corporate governance officer.

Article 19: List of Major Shareholders and Their Ultimate Controllers

The Company shall keep track at all times of the list of major shareholders holding a relatively large percentage of shares and able to exercise actual control over the Company, as well as the ultimate controllers of such major shareholders.

The Company shall periodically disclose information on pledges, increases or decreases in the Company's shares, or other material matters that may cause changes in shareholding, by shareholders holding more than 10 percent of the shares, so that other shareholders may exercise oversight.

The term "major shareholders" in paragraph 1 refers to shareholders holding 5 percent or more of the shares or ranking among the top ten shareholders by shareholding; however, the Company may set a lower shareholding threshold based on the shareholdings that actually control the Company.

Chapter 3 Strengthening the Powers of the Board of Directors

Section 1 Structure of the Board of Directors

Article 20: Overall Competencies of the Board of Directors

The Board of Directors of the Company shall guide corporate strategy, oversee management, and be accountable to the Company and its shareholders. All operations and arrangements of the corporate governance system shall ensure that the Board of Directors exercises its powers in accordance with laws and regulations, the Articles of Incorporation and resolutions of the shareholders' meeting.

In structuring its Board of Directors, the Company shall determine an appropriate number of board seats, not less than five, taking into consideration the scale of its business development, the shareholdings of its major shareholders and practical operating needs.

The composition of the Board of Directors shall take diversity into consideration, with at least one director of each gender. In addition to ensuring that directors concurrently serving as managerial officers of the Company do not exceed one-third of the board seats, the Company shall formulate an appropriate diversity policy based on its own operations, business model and development needs, which should include, but not be limited to, standards in the following two general aspects:

1. Basic qualifications and values: gender, age, nationality, culture, etc., among which the proportion of directors of either gender should 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.

Board members shall generally possess the knowledge, skills and qualities necessary to perform their duties. To achieve the ideal goals of corporate governance, the Board of Directors as a whole shall possess the following competencies:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make decisions.

Where directors of either gender account for less than one-third of the Company's board seats, the Company shall explain the reasons in its annual report and describe the measures planned to enhance board gender diversity.

Article 21: Establishing Fair, Just and Open Procedures for the Election of Directors

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

Unless approved by the competent authority, more than half of the board seats shall be held by directors who are not spouses or relatives within the second degree of kinship of one another.

When the number of directors falls below five due to the dismissal of directors for any reason, the Company shall hold a by-election at the next shareholders' meeting. However, when vacancies reach one-third of the board seats prescribed in the Articles of Incorporation, the Company shall convene an extraordinary shareholders' meeting within 60 days from the date of occurrence to hold a by-election.

The aggregate shareholding of all directors of the Company shall comply with laws and regulations. Restrictions on the transfer of each director's shares, the creation, release and changes of pledges thereon shall be handled in accordance with relevant regulations, and all such information shall be fully disclosed.

Article 22: Election of Directors through the Candidate Nomination System as Stated in the Articles

of Incorporation

In accordance with the Company Act, the Company specifies in its Articles of Incorporation that directors are elected through the candidate nomination system. The Company shall carefully evaluate the qualifications of nominees and whether any of the circumstances listed in Article 30 of the Company Act apply, and shall act in accordance with Article 192-1 of the Company Act.

Article 23: Clear Division of Authority and Responsibilities among Functional Committees, the Chairman and the President

The responsibilities of the Company's Chairman and President shall be clearly defined.

The Chairman and the President, or persons in equivalent positions, should not be the same person.

Where the Company establishes functional committees, their responsibilities shall be clearly assigned.

Section 2 Independent Director System

Article 24: Appointment of Independent Directors in Accordance with the Articles of Incorporation

In accordance with its Articles of Incorporation, the Company shall appoint no fewer than three independent directors, who shall account for no less than one-third of the board seats. None of the independent directors may serve more than three consecutive terms.

Independent directors shall possess professional knowledge, their shareholdings and concurrent positions shall be restricted, and they shall maintain independence within the scope of their duties and shall not have any direct or indirect interest in the Company.

Where the Company or its group enterprises and organizations, and another company or its group enterprises and organizations, nominate each other's directors, supervisors or managerial officers as independent director candidates, the Company shall disclose such fact upon accepting the nomination of the independent director candidate and explain the candidate's suitability. If such candidate is elected as an independent director, the number of votes received shall be disclosed.

The term "group enterprises and organizations" in the preceding paragraph covers the Company's subsidiaries, foundations to which the Company has directly or indirectly contributed more than 50 percent of the total funds, and other institutions or juristic persons over which the Company has substantive control.

Independent directors and non-independent directors shall not change their status during their term of office.

Matters concerning the professional qualifications, restrictions on shareholdings and concurrent positions, determination of independence, nomination method and other matters to be complied with by independent directors shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the regulations of the stock exchange.

Article 25: Matters to Be Approved by Resolution of the Board of Directors

In accordance with the Securities and Exchange Act, the Company shall submit the following matters to the Board of Directors for approval by resolution. Any objection or reservation expressed by an independent director shall be recorded in the minutes of the Board meeting:

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling major financial and business transactions such as the acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
3. Matters involving a director's personal interest.
4. Material asset or derivatives transactions.
5. Material loaning of funds, endorsements or guarantees.
6. Offering, issuance or private placement of equity-type securities.
7. Appointment, dismissal or remuneration of the attesting CPA.
8. Appointment or dismissal of the chief financial officer, chief accounting officer or chief internal auditor.
9. Other material matters prescribed by the competent authority.

Article 26: Clearly Defining the Scope of Independent Directors' Duties

The Company shall clearly define the scope of independent directors' duties and provide the manpower and material resources necessary for them to exercise their powers. Neither the Company nor other members of the Board of Directors shall obstruct, refuse or evade the performance of duties by independent directors.

The Company shall clearly specify directors' remuneration in accordance with relevant laws and regulations. Directors' remuneration shall fully reflect individual performance and the Company's long-term business performance, and shall take into overall consideration the Company's business risks. Reasonable remuneration different from that of ordinary directors may be determined for independent directors.

Section 3 Functional Committees

Article 27: Establishment of Functional Committees

To enhance its supervisory function and strengthen its management capabilities, the Board of Directors of the Company may, taking into consideration the Company's size, the nature of its business and the number of directors, establish audit, remuneration, nominating, risk management or other functional committees, and may, based on the concepts of corporate social responsibility and sustainable operations, establish environmental protection, corporate social responsibility or other committees, which shall be expressly provided for in the Articles of Incorporation.

Functional committees shall be accountable to the Board of Directors and shall submit their proposals to the Board of Directors for resolution, except where the Audit Committee exercises the powers of supervisors pursuant to Article 14-4, paragraph 4 of the Securities and Exchange Act.

Functional committees shall adopt charters, which shall be approved by resolution of the Board of Directors. The charter shall cover the number of members, term of office, powers, rules of procedure, and the resources to be provided by the Company when the committee exercises its powers.

Article 28: Establishment of the Audit Committee

The Company has established an Audit Committee composed of all independent directors. The committee shall have no fewer than three members, one of whom shall serve as the convener, and at least one of whom shall have accounting or financial expertise.

The Board of Directors should establish a mechanism to encourage the convener of the Audit Committee to actively participate in communication and engagement with shareholders and other stakeholders on key issues such as governance, strategy and sustainable development.

The exercise of powers by the Audit Committee and its independent director members and related matters shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the regulations of the stock exchange.

Article 28-1: Establishment of the Remuneration Committee

The Company has established a Remuneration Committee, of which more than half of the members should be independent directors. The professional qualifications of its members, the exercise of its powers, the adoption of its charter 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 Stock Exchange or Traded Over the Counter."

Article 28-2: Establishment of the Nominating Committee

The Company should establish a Nominating Committee and adopt a charter for it. The committee should have no fewer than three members, more than half of whom should be independent directors, and at least one member should be of a different gender. An independent director shall serve as the convener and chair of its meetings.

Article 28-3: Whistleblowing System

The Company should establish and publicly announce channels for internal and external whistleblowing and establish a whistleblower protection system. The unit accepting reports should be independent, shall encrypt and protect files provided by whistleblowers, appropriately restrict access rights, and adopt internal operating procedures.

Article 29: Strengthening and Enhancing the Quality of Financial Reports

To enhance the quality of its financial reports, the Company has appointed a deputy to the chief accounting officer.

The deputy to the chief accounting officer referred to in the preceding paragraph shall complete continuing education each year in the same manner as the chief accounting officer, so as to strengthen his or her professional competence.

Accounting personnel involved in preparing financial reports shall also complete at least six hours of professional courses each year, which may be fulfilled by attending the Company's internal training or professional courses offered by institutions designated for the continuing education of chief accounting officers.

The Company shall select a professional, responsible and independent attesting CPA to regularly audit the Company's financial condition and internal controls. The Company shall effectively review and make improvements with respect to any irregularities or deficiencies identified and disclosed by the CPA in the course of the audit, as well as any concrete suggestions for improvement or fraud prevention, and should establish channels or mechanisms for communication among independent directors, the Audit Committee and the attesting CPA, adopt internal operating procedures, and incorporate them into the internal control system.

The Company shall, on an annual basis and with reference to Audit Quality Indicators (AQIs), evaluate the independence and suitability of the CPAs it engages. Where the Company has not changed its CPA for seven consecutive years, or where the CPA has been subject to disciplinary action or any circumstance that may impair his or her

independence, the Company shall evaluate the necessity of changing CPAs and submit the evaluation results to the Board of Directors.

Article 30: Providing Appropriate Legal Services to the Company

The Company should engage professional and competent attorneys to provide appropriate legal consultation services to the Company, or to assist the Board of Directors and management in enhancing their legal literacy, so as to prevent the Company and relevant personnel from violating laws and regulations and to ensure that corporate governance operations are conducted within the relevant legal framework and statutory procedures.

Where directors or management are involved in litigation or disputes with shareholders in the lawful performance of their duties, the Company shall engage attorneys to provide assistance as the circumstances warrant.

The Audit Committee or its independent director members may, on behalf of the Company, engage attorneys, CPAs or other professionals to conduct necessary audits or provide consultation on matters relating to the exercise of their powers, with the expenses borne by the Company.

Section 4 Rules of Procedure and Decision-Making Procedures of the Board of Directors

Article 31: Convening Board Meetings

The Company has adopted the "Rules of Procedure for Board of Directors Meetings." The main agenda items, operating procedures, matters to be recorded in the meeting minutes, public announcements and other matters to be complied with shall be handled in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 32: Directors Shall Exercise a High Degree of Self-Discipline

Directors shall exercise a high degree of self-discipline. Where a director, or the juristic person he or she represents, has an interest in a matter on the agenda of a Board meeting, the director shall explain the essential contents of such interest at that meeting. Where there is a likelihood that the Company's interests would be prejudiced, the director shall not participate in the discussion or voting, shall recuse himself or herself from the discussion and voting, and shall not exercise voting rights on behalf of another director.

Article 33: Matters Resolved by the Board of Directors Shall Be Clearly Assigned to the Appropriate Executing Units or Personnel

The Company shall clearly assign matters resolved by the Board of Directors to the appropriate executing units or personnel, require them to carry out such matters in accordance with the planned schedule and objectives, include such matters in follow-up management, and effectively evaluate their implementation.

The Board of Directors shall keep fully informed of the progress of implementation and shall receive a report at its next meeting, so that its business decisions are put into practice.

Section 5 Fiduciary Duty, Duty of Care and Responsibilities of Directors

Article 34: Board Members Shall Faithfully Perform Their Duties and Exercise the Duty of Care of a Good Administrator

Board members shall faithfully perform their duties and exercise the duty of care of a good administrator, and shall exercise their powers with a high degree of self-discipline and prudence. Except for matters that are required by law or the Articles of Incorporation

to be resolved by the shareholders' meeting, the Company's business shall be conducted in accordance with resolutions of the Board of Directors.

The Company should adopt rules and procedures for evaluating the performance of the Board of Directors. In addition to conducting regular annual self-evaluations or peer evaluations of the Board of Directors and individual directors, the Company may engage an external professional institution or use other appropriate methods to conduct performance evaluations. The evaluation of the Board of Directors' performance shall cover the following aspects, with appropriate evaluation indicators established based on the Company's needs:

1. Degree of participation in the Company's operations.
2. Improvement in the quality of the Board of Directors' decision-making.
3. Composition and structure of the Board of Directors.
4. Election and continuing education of directors.
5. Internal control.

The evaluation of individual directors' performance (self- or peer evaluation) shall cover the following aspects, with appropriate adjustments made based on the Company's needs:

1. Understanding of the Company's goals and missions.
2. Awareness of the duties of a director.
3. Degree of participation in the Company's operations.
4. Management of internal relationships and communication.
5. Professionalism and continuing education of directors.
6. Internal control.

The Company shall conduct performance evaluations of its functional committees. The evaluation should cover the following aspects, with appropriate adjustments made based on the Company's needs:

1. Degree of participation in the Company's operations.
2. Awareness of the duties of the functional committee.
3. Improvement in the quality of the functional committee's decision-making.
4. Composition of the functional committee and election of its members.
5. Internal control.

The Company shall submit the results of performance evaluations to the Board of Directors and use them as a reference in determining individual directors' remuneration and nominations for re-election.

Article 35: Requests by Shareholders or Independent Directors for the Board of Directors to Cease Implementing a Resolution

Where a resolution of the Board of Directors violates laws and regulations or the Articles of Incorporation, and a shareholder who has continuously held shares for one year or more, or an independent director, requests the Board of Directors to cease implementing the resolution, Board members shall promptly and properly handle the matter or cease implementing the relevant resolution.

Upon discovering that the Company is likely to suffer material damage, Board members shall act in accordance with the preceding paragraph and immediately report to the Audit Committee or the independent director members of the Audit Committee.

Article 36: Directors' Liability Insurance

During the directors' term of office, the Company shall purchase liability insurance for them covering the liabilities they may legally incur within the scope of the performance of their duties, so as to reduce and spread the risk of material damage to the Company and its shareholders caused by wrongful acts or negligence of directors.

After purchasing or renewing liability insurance for directors, the Company shall report the material contents of such insurance, including the insured amount, coverage and premium rate, at the next Board meeting.

Article 37: Continuing Education Courses for Directors

Board members shall complete at least three hours of continuing education in the year they take office for each term, and during their term should continue to attend continuing education courses offered by the institutions designated in the Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEx Listed Companies, and shall require employees at all levels to strengthen their professional and legal knowledge.

Chapter 4 Emphasizing Corporate Sustainability and Resilience

Article 38: Maintaining Communication with Stakeholders and Safeguarding Their Rights and Interests

The Company shall maintain open channels of communication with its banks and other creditors, employees, consumers, suppliers, the community and other stakeholders of the Company, respect and safeguard their legitimate rights and interests, and establish a stakeholder section on the Company's website.

When the legitimate rights and interests of stakeholders are infringed, the Company shall handle the matter properly in good faith.

Article 39: Providing Sufficient Information to Banks and Other Creditors

The Company shall provide sufficient information to its banks and other creditors to enable them to make judgments and decisions regarding the Company's operations and financial condition. When their legitimate rights and interests are infringed, the Company shall respond positively and, with a responsible attitude, provide creditors with appropriate means of obtaining compensation.

Article 40: Establishing Channels of Communication with Employees

The Company shall establish channels of communication with employees, encourage employees to communicate directly with management or directors, and appropriately reflect employees' opinions on the Company's operations and financial condition or on major decisions affecting employees' interests.

Article 41: Corporate Social Responsibility

While maintaining normal business development and maximizing shareholders' interests, the Company shall pay attention to consumer rights, community environmental protection, public welfare and other issues, and shall attach importance to its corporate social responsibility.

In promoting sustainable development, the Company shall pay attention to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, shall give weight to environmental, social and corporate governance factors and incorporate them into its management approach and business activities.

Chapter 5 Enhancing Information Transparency

Section 1 Strengthening Information Disclosure

Article 42: Information Disclosure and the Online Reporting System

Information disclosure is an important responsibility of the Company. The Company shall faithfully fulfill its obligations in accordance with relevant laws and regulations and the regulations of the stock exchange.

The Company shall establish an online reporting system for public information, designate dedicated personnel responsible for collecting and disclosing Company information, and establish a spokesperson system to ensure that information that may affect the decisions of shareholders and stakeholders is disclosed in a timely and appropriate manner.

Article 43: Appointment of a Spokesperson

To improve the accuracy and timeliness of the disclosure of material information, the Company shall appoint as its spokesperson and deputy spokesperson persons who have a comprehensive understanding of the Company's finances and business, or who are able to coordinate with departments to provide relevant information, and who are able to speak independently on behalf of the Company.

The Company shall have one or more deputy spokespersons, and any deputy spokesperson shall be able to speak independently on behalf of the spokesperson when the spokesperson is unable to perform his or her duties; however, the order of acting shall be determined in advance to avoid confusion.

To implement the spokesperson system, the Company shall specify a unified procedure for public statements and require management and employees to keep financial and business information confidential and not to disseminate information without authorization.

Whenever there is a change of spokesperson or deputy spokesperson, the Company shall immediately disclose the information.

Article 44: Establishing a Corporate Governance Website

The Company shall take advantage of the convenience of the Internet to establish a website containing information on the Company's finances and business and corporate governance for the reference of shareholders and stakeholders, and should provide financial, corporate governance and other related information in English.

The website referred to in the preceding paragraph shall be maintained by dedicated personnel, and the information listed shall be detailed, accurate and updated in a timely manner to avoid misleading anyone.

Article 45: Holding Investor Conferences

The Company shall hold investor conferences in accordance with the regulations of the stock exchange and shall keep audio or video recordings thereof. The financial and business information presented at investor conferences shall be entered into the MOPS in accordance with the regulations of the stock exchange and made available for inquiry through the Company's website or other appropriate channels.

Section 2 Disclosure of Corporate Governance Information

Article 46: Disclosure of Corporate Governance Information

The Company shall set up a dedicated section on its website, with reference to the sample of the "Important and Necessary Disclosure Items for the Websites of TWSE/TPEx Listed Companies," to disclose information related to corporate governance, and shall update such information on an ongoing basis.

Chapter 6 Supplementary Provisions

Article 47: Monitoring Domestic and International Developments

The Company shall monitor domestic and international developments in corporate governance systems at all times, and review and improve its corporate governance system accordingly, so as to enhance the effectiveness of corporate governance.

Article 48: Adoption and Amendment

These Principles shall be implemented upon approval by the Board of Directors of the Company, and the same shall apply to any amendments.