A Plus Biotechnology Co., Ltd.
Corporate Governance Best Practice Principles

Chapter One: General Provisions

Article I.

To establish a robust system of corporate governance and to promote the sound development of the securities market, the Taiwan Stock Exchange Corporation (hereinafter referred to as the "TWSE") and the Taipei Exchange (hereinafter referred to as the "TPEx") have jointly formulated these Principles. The Company shall establish and comply with an effective corporate governance framework and disclose it on the Market Observation Post System (MOPS).

Article II.

In establishing its corporate governance system, the Company shall, in addition to complying with all applicable laws, regulations, its Articles of Incorporation, and contracts and relevant stipulations executed with the TWSE or TPEx, adhere to the following principles:

1. Protection of Shareholders' Rights and Interests.
2. Strengthening the Functions of the Board of Directors.
3. Maximizing the Effectiveness of Functional Committees.
4. Respect for Stakeholders' Rights and Interests.
5. Enhancement of Information Transparency.

Article III.

In accordance with the Regulations Governing the Establishment of Internal Control Systems by Public Companies, the Company shall design and rigorously implement its internal control system, taking into account the Company's overall operational activities and those of its subsidiaries. The system shall be reviewed promptly to adapt to changes in the internal and external environment, thereby ensuring the continuous effectiveness of its design and implementation.

In addition to diligently conducting the self-assessment of the internal control system, the Board of Directors and management shall review the results of departmental self-assessments at least annually and scrutinize the internal audit unit's audit reports quarterly. The Audit Committee shall provide oversight and supervision. The directors shall hold regular meetings with the Internal Audit Officer to review deficiencies in the internal control system, document the discussions, track and implement improvements, and report the results to the Board of Directors. The Company shall establish mechanisms and channels of communication among the Independent Directors, the Audit Committee, the Internal Audit Officer, and the Convener of the Audit Committee, and the

Convener of the Audit Committee shall report on the status of communication with the Internal Audit Officer at the Shareholders' Meeting.

The Company’s management shall place significant importance on the internal audit unit and its personnel, grant them sufficient authority, and urge them to effectively inspect and evaluate deficiencies in the internal control system and assess operational efficiency, thereby ensuring the continuous and effective implementation of the system and assisting the Board of Directors and management in fulfilling their responsibilities to realize the corporate governance system.

The appointment, dismissal, performance evaluation, and compensation of the Company’s internal audit personnel shall be reported to the Board of Directors or signed off by the Chief Audit Executive for approval by the Chairman.

Article III-1

The Company shall appoint a sufficient number of competent corporate governance personnel commensurate with its size, business operations, and management needs. The Company shall designate one individual as the Corporate Governance Officer, as required by the competent authority, the TWSE, or the TPEx, who shall be the highest-ranking executive responsible for corporate governance matters. The officer shall possess a professional qualification as a lawyer or accountant or have served as a supervisor or above in the legal, compliance, internal audit, finance, stock affairs, or corporate governance-related units of a securities, financial, futures institution, or public company for three or more years.

The corporate governance matters mentioned in the preceding paragraph shall include at least the following:

1. Handling matters related to Board of Directors meetings and Shareholders’ Meetings in accordance with the law.
2. Preparation of the minutes of the Board of Directors and Shareholders’ Meetings.
3. Assisting directors in onboarding and continuous professional development.
4. Providing directors with the information necessary for the execution of their duties.
5. Assisting directors with legal compliance.
6. Reporting to the Board of Directors on the results of the inspection of the

qualifications of Independent Directors at the time of their nomination, election, and during their tenure to ensure compliance with relevant laws and regulations.
7. Handling matters related to changes in directors.
8. Other matters stipulated in the Company's Articles of Incorporation or contracts.

Chapter Two: Protection of Shareholders' Rights and Interests

Section 1: Encouraging Shareholders to Participate in Corporate Governance

Article IV.

The Company's corporate governance system shall safeguard shareholders' rights and interests and ensure equitable treatment of all shareholders.

The Company shall establish a corporate governance system that guarantees shareholders the rights of full knowledge, participation, and decision-making concerning material matters of the Company.

Article V.

The Company shall convene the Shareholders' Meeting in accordance with the Company Act and other relevant laws and regulations, and shall establish comprehensive Rules of Procedure for the meetings. Matters requiring resolution by the Shareholders' Meeting must be carried out in strict compliance with the Rules of Procedure.

The content of the resolutions adopted at the Company's Shareholders' Meeting shall comply with applicable laws and the Company's Articles of Incorporation.

Article VI.

The Company's Board of Directors shall properly arrange the agenda and procedures for the Shareholders' Meeting and establish principles and operational procedures for shareholder nomination of directors and shareholder proposals. The Board shall properly handle proposals legally submitted by shareholders. The Company shall arrange a convenient venue for the Shareholders' Meeting, preferably supplemented by video conferencing (or "virtual/hybrid meeting" technology), allow sufficient time for the meeting, and assign adequate and competent personnel to handle the registration process. The Company shall not arbitrarily require shareholders to provide additional supporting documents beyond those needed to verify eligibility for attendance. Furthermore, the Company shall allow a reasonable amount of time for discussion on each agenda item and provide shareholders with appropriate opportunities to speak.

The Chairman of the Board shall preferably preside over the Shareholders' Meeting convened by the Board of Directors. It is advisable that a majority of the directors (including at least one Independent Director) and the Convener of the Audit Committee attend the meeting in person, with at least one member from each of the other functional committees in attendance. The attendance status shall be recorded in the minutes of the Shareholders' Meeting.

Article VII.

The Company shall encourage shareholder participation in corporate governance and may engage a professional shareholder services agent to handle Shareholders' Meeting affairs, ensuring the meetings are convened in a legal, effective, and secure manner. The Company shall fully adopt technology-enabled information disclosure through various means and channels, simultaneously uploading English and Chinese versions of its Annual Report, annual financial reports, notice of the Shareholders' Meeting, meeting handbook, and supplementary meeting materials. The Company shall adopt electronic voting to increase shareholder attendance and ensure that shareholders can exercise their rights at the Shareholders' Meeting in accordance with the law. The Company shall strive to avoid proposing extraordinary motions and amendments to original proposals at the Shareholders' Meeting.

The Company shall arrange for shareholders to vote on each agenda item individually and shall enter the results (votes for, against, and abstentions) into the Market Observation Post System (MOPS) on the same day as the Shareholders' Meeting.

Article VIII.

In accordance with the Company Act and relevant laws and regulations, the Company shall record in the minutes of the Shareholders' Meeting the date, month, year, venue, name of the chairperson, and the method of resolution. A summary of the key proceedings and the results of the meeting shall also be recorded. For the election of directors, the minutes shall specify that voting was conducted by ballot and state the share count for the elected directors.

The minutes of the Shareholders' Meeting shall be properly preserved permanently for the duration of the Company's existence, and shall be fully disclosed on the Company's website, if one is established.

Article IX.

The Chairman of the Shareholders' Meeting shall be fully informed of and comply with the Company's established Rules of Procedure, maintain a smooth progression of the agenda, and shall not arbitrarily declare the meeting adjourned. To protect the rights and interests of the majority of shareholders, in the event the chairperson declares an adjournment in violation of the Rules of Procedure, the other members of the Board of Directors shall promptly assist the attending shareholders to elect a new chairperson by the affirmative vote of a majority of the voting rights present to continue the meeting in accordance with legal procedures.

Article X.

The Company shall place significant importance on the shareholders' right to know and shall faithfully comply with applicable regulations regarding information disclosure, regularly and promptly providing shareholders with information on the Company's financial condition, business operations, insider shareholdings, and corporate governance status via the MOPS or the Company's website.

To ensure the equitable treatment of shareholders, the various types of information mentioned in the preceding paragraph shall preferably be disclosed simultaneously in English.

To safeguard shareholders' rights and implement the principle of equitable treatment, the Company shall establish internal guidelines prohibiting company insiders from trading securities using non-public information.

The aforementioned guidelines shall preferably include measures to control stock trading by the Company's insiders from the date they become aware of the Company's financial reports or related performance information.

Article X-1

The Company shall preferably report the remuneration received by directors at the Annual Shareholders' Meeting, including the remuneration policy, the content and amount of individual remuneration, and its correlation with performance evaluation results.

Article XI.

Shareholders shall have the right to share in the Company's earnings. To protect shareholders' investment interests, the Shareholders' Meeting may, in accordance with Article 184 of the Company Act, inspect the statements prepared by the Board of Directors and the Audit Committee's report, and adopt resolutions on the distribution of earnings or the offsetting of losses.

When conducting the aforementioned inspection, the Shareholders' Meeting may appoint an inspector to conduct it. Shareholders may apply to the court, in accordance with Article 245 of the Company Act, to appoint an inspector to examine the Company's business accounts, asset status, specific matters, and specific transaction documents and records.

The Company's Board of Directors, Audit Committee, and managers shall fully cooperate with the audit work of the inspectors referred to in the preceding two paragraphs and shall not evade, obstruct, or refuse to cooperate.

Article XII.

The Company’s material financial and business activities, such as the acquisition or disposal of assets, lending of funds, and making of endorsements/guarantees, shall be handled in accordance with relevant laws and regulations, and the relevant operating procedures shall be submitted to and approved by the Shareholders' Meeting to protect shareholders' rights and interests.

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

Personnel handling matters related to the preceding paragraph shall be mindful of conflicts of interest and recusal requirements.

Article XIII.

To protect shareholders' rights and interests, the Company shall assign dedicated personnel to properly handle shareholder suggestions, queries, and disputes.

If a resolution of the Company's Shareholders’ Meeting or Board of Directors violates laws or the Articles of Incorporation, or if its directors or managers violate laws or the Articles of Incorporation while executing their duties, resulting in prejudice to shareholders' rights and interests, the Company shall appropriately handle any lawsuits legally instituted by shareholders.

The Company shall establish internal operating procedures to properly handle the matters described in the preceding two paragraphs, maintain written records for future reference, and incorporate them into the internal control system for management and control.

Section 2: Establishing Mechanisms for Shareholder Engagement

Article XIII-I

The Company's Board of Directors is responsible for establishing mechanisms for engagement with shareholders to foster a mutual understanding of the Company's objectives and development.

Article XIII-II

In addition to communicating with shareholders through the Shareholders' Meeting and encouraging their attendance, the Company's Board of Directors shall efficiently communicate with shareholders. The Board, together with the management and Independent Directors, shall collectively understand shareholders' opinions and concerns and clearly explain the Company's policies to gain shareholder support.

Article XIII-III

The Company shall formulate and disclose its operating strategies and business plans, clarifying the concrete measures for enhancing corporate value. It is advisable to report these to the Board of Directors and actively communicate them with shareholders.

Section 3: Corporate Governance Relationship Between the Company and Its Affiliates

Article XIV.

The management objectives and responsibilities for personnel, assets, and finance between the Company and its Affiliates shall be clearly delineated. The Company shall rigorously conduct risk assessments and establish appropriate firewalls.

Article XV.

The Company's managers shall not concurrently serve as managers of Affiliates, unless otherwise provided by law.

Directors who act on their own behalf or on behalf of others within the scope of the Company's business shall disclose the material content of such acts to the Shareholders' Meeting and obtain its approval.

Article XVI.

The Company shall establish sound management objectives and systems for finance, operations, and accounting in accordance with relevant laws and regulations. The Company shall also properly perform a comprehensive risk assessment with its Affiliates concerning their principal banks, customers, and suppliers, and implement necessary control mechanisms to mitigate credit risk.

Article XVII.

The Company's business dealings with its Related Parties and shareholders shall be based on the principles of fairness and reasonableness. Written procedures governing the mutual financial and business operations shall be established. The terms of signed agreements shall clearly stipulate the pricing conditions and payment methods, and shall prevent non-arm's-length transactions and improper transfers of interests.

The written procedures in the preceding paragraph shall include management procedures for transactions such as sales and purchases, acquisition or disposal of assets, lending of funds, and endorsements/guarantees. Relevant material transactions shall be resolved by the Board of Directors and either approved or reported to the Shareholders’ Meeting.

Article XVIII.

A corporate shareholder with controlling power over the Company shall comply with the following:

1. It shall bear a fiduciary duty to other shareholders and shall not directly or indirectly cause the Company to engage in any business that is contrary to normal commercial practice or otherwise detrimental to the Company.
2. Its representative shall adhere to the Company's stipulated rules regarding the exercise of rights and participation in resolutions. When attending the Shareholders' Meeting, the representative shall exercise voting rights in accordance with the principle of good faith and the best interests of all shareholders, and shall fulfill the fiduciary duty and duty of care of a director.
3. The nomination of the Company’s directors shall be conducted in accordance with relevant laws and the Articles of Incorporation and shall not exceed the scope of authority of the Shareholders’ Meeting or the Board of Directors.
4. It shall not improperly intervene in the Company’s policy-making or obstruct its operating activities.
5. It shall not restrict or impede the Company’s production and operation through methods of unfair competition, such as monopolizing procurement or closing off sales channels.
6. The corporate representative designated for the directorship secured by the

corporate shareholder shall meet the necessary professional qualifications required by the Company and should not be arbitrarily replaced.

Article XIX.

The Company shall continually monitor the list of its Major Shareholders with large shareholdings and those who can substantially control the Company, as well as the ultimate controlling parties of such Major Shareholders.

The Company shall regularly disclose important matters concerning shareholders holding more than 10% of the shares, such as pledges, increases or decreases in Company shares, or other significant events that may cause changes in shareholding, for the supervision of other shareholders.

The term "Major Shareholder" in the first paragraph refers to a shareholder holding 5% or more of the shares, or a shareholder whose shareholding ranks among the top ten. However, the Company may set a lower shareholding ratio based on the actual shareholding circumstances of those controlling the Company.

Chapter Three: Strengthening the Functions of the Board of Directors

Section 1: Board Structure

Article XX.

The Company's Board of Directors shall guide the Company’s strategy, oversee the management, and be accountable to the Company and the shareholders.

All operations and arrangements of the corporate governance system shall ensure that the Board exercises its authority in accordance with laws, the Articles of Incorporation, or resolutions of the Shareholders' Meeting.

The structure of the Board of Directors shall be determined based on the Company's operational scale, development, and the shareholding status of its Major Shareholders, and shall consist of an appropriate number of directors, which shall be at least five, considering the practical needs of operations.

The composition of the Board of Directors shall consider diversity. In addition to the number of directors concurrently serving as Company managers, which should not exceed one-third of the total number of director seats, the Board shall formulate an appropriate diversity policy based on its operations, operational model, and development needs. The policy should include, but not be limited to, the following two major dimensions:

1. Basic Conditions and Values: Gender, age, nationality, and culture, etc., with the ratio of female directors preferably reaching one-third of the total director seats.
2. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Board members shall possess the knowledge, skills, and competence necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors as a whole should possess the following capabilities:

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

Article XXI.

The Company shall formulate a fair, just, and transparent director election procedure, in line with the principle of safeguarding and equitably treating shareholders’ rights, and shall encourage shareholder participation. The Company shall adopt the cumulative voting system as stipulated by the Company Act to fully reflect shareholders' opinions.

Unless approved by the competent authority, more than half of the total director seats shall not be held by individuals who are spouses or relatives within the second degree of kinship.

If the number of directors falls short of five due to the removal or resignation of a director, the Company shall hold a by-election at the next Shareholders' Meeting. However, if the shortfall reaches one-third of the total number of seats stipulated in the Articles of Incorporation, the Company shall convene a Special Shareholders' Meeting for a by-election within sixty days from the date the event occurred.

The aggregate shareholding ratio of all directors on the Company’s Board of Directors shall comply with legal requirements. Any restrictions on share transfer, the creation or release of share pledges, and changes in shareholding by individual directors shall be handled in accordance with relevant regulations, and all such information shall be fully disclosed.

Article XXII.

The Company shall stipulate in its Articles of Incorporation that the nomination system for director candidates shall be adopted for the election of directors, in accordance with the regulations of the competent authority. The Company shall carefully evaluate the qualifications of the nominees and whether they are disqualified under any of the circumstances listed in Article 30 of the Company Act and shall proceed in accordance with Article 192-1 of the Company Act.

Article XXIII.

The responsibilities of the Chairman of the Board and the General Manager shall be clearly demarcated.

The Chairman of the Board and the General Manager or an equivalent position should not be held by the same person.

The Company shall clearly define the responsibilities and duties of any functional committees it establishes.

Section 2: Independent Director System

Article XXIV.

The Company shall appoint two or more Independent Directors as stipulated in its Articles of Incorporation, and the number of Independent Directors should not be less than one-third of the total seats.

An Independent Director’s continuous term of office should not exceed three consecutive terms. Independent Directors shall possess professional knowledge, and their shareholding shall be restricted. In addition to complying with relevant laws and regulations, an Independent Director should not concurrently serve as a director (including as an Independent Director) in more than five listed or OTC-listed companies.

They shall maintain independence within the scope of their duties and shall not have any direct or indirect financial or business interest with the Company. If the Company and its Group Enterprises and Organizations mutually nominate the director or manager of another company and its Group Enterprises and Organizations as a candidate for Independent Director, the Company shall disclose this fact when accepting the Independent Director nomination and explain the suitability of the candidate. If the 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 shall encompass the Company's subsidiaries, foundations in which the Company has directly or indirectly contributed more than 50% of the cumulative funds, and other institutions or legal entities with substantive control capability.

Independent Directors and non-Independent Directors shall not convert their status during their term of office.

Matters concerning the professional qualifications, restrictions on shareholding and concurrent positions, determination of independence, nomination methods, and other compliance requirements for Independent Directors shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies, and the regulations of the TWSE or TPEx.

Article XXV.

The Company shall submit the following matters to the Board of Directors for resolution in accordance with the Securities and Exchange Act. If any Independent Director has an objection or reservation, it shall be recorded in the minutes of the Board of Directors meeting:

1. The establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. The establishment or amendment of the procedures for major financial and business activities, such as the acquisition or disposal of assets, engagement in derivative product trading, lending of funds to others, and making of endorsements or providing guarantees, in accordance with Article 36-1 of the Securities and Exchange Act.
3. Matters involving the personal interest of a director.
4. Material transactions of assets or derivative products.
5. Material lending of funds, endorsements, or provision of guarantees.
6. Public offering, issuance, or private placement of equity-based securities.
7. The appointment, dismissal, or remuneration of the certifying accountant (CPA).
8. The appointment or dismissal of the Chief Financial Officer, Chief

Accounting Officer, or Chief Internal Audit Officer.

9. Other material matters prescribed by the competent authority.

Article XXVI.

The Company shall clearly define the scope of the Independent Directors' responsibilities and provide them with the necessary human and material resources to exercise their powers. The Company or other members of the Board of Directors shall not impede, refuse, or evade Independent Directors in the performance of their duties.

The Company shall clearly stipulate the remuneration of directors in accordance with relevant laws and regulations. The directors' remuneration shall fully reflect individual performance and the Company's long-term operating performance and shall comprehensively consider the Company's operational risks. Reasonable remuneration that differs from that of ordinary directors may be set for Independent Directors.

Section 3: Functional Committees

Article XXVII.

To improve the supervisory function and strengthen management capability, the Company's Board of Directors may establish an Audit Committee, Compensation Committee, Nomination Committee, Risk Management Committee, or other functional committees, taking into account the Company’s size, business nature, and the number of directors. The Company may also establish Environmental, Social Responsibility, or other committees based on the principles of corporate social responsibility and sustainable operations, and clearly define them in the Articles of Incorporation.

Functional committees shall be accountable to the Board of Directors and shall submit their proposals to it for resolution. This restriction does not apply to the Audit Committee when exercising the powers of Supervisors in accordance with Article 14-4, Paragraph 4 of the Securities and Exchange Act. Functional committees shall establish Organizational Regulations, which shall be resolved by the Board of Directors.

The content of the Organizational Regulations shall include the number of members, term of office, scope of powers and duties, rules of procedure, and the resources that the Company should provide for the exercise of the committee’s powers.

Article XXVIII.

The Company shall establish an Audit Committee.

The Audit Committee shall be composed of all Independent Directors, with a minimum of three members. One member shall be the Convener, and at least one member shall possess accounting or financial expertise.

The exercise of powers and related matters of the Audit Committee and its Independent Director members shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by the Audit Committee of Public Companies, and the regulations of the TWSE or TPEx.

Article XXVIII-I

The Company shall establish a Compensation Committee. More than half of its members should be Independent Directors. The professional qualifications of its members, the exercise of their powers, the establishment of Organizational Regulations, and related matters shall be handled in accordance with the Regulations Governing the Establishment and Exercise of Powers of the Remuneration Committee of Companies with Listed Stock or Stock Traded on the OTC Market.

Article XXVIII-II

The Company should establish a Nomination Committee and formulate its Organizational Regulations. More than half of its members should be Independent Directors, and an Independent Director should serve as the Chairperson.

Article XXVIII-III

The Company should establish and publicly disclose internal and external whistleblowing channels and implement a whistleblower protection system. The unit responsible for receiving complaints shall be independent, provide encrypted protection for the files submitted by the whistleblower, appropriately restrict access rights, establish internal operating procedures, and incorporate them into the internal control system for control purposes.

Article XXIX.

To enhance the quality of its financial reports, the Company shall appoint a Deputy Chief Accounting Officer.

The deputy for the Chief Accounting Officer in the preceding paragraph shall continue to participate in annual professional training similar to that of the

Chief Accounting Officer to strengthen their professional capabilities.
Accounting personnel involved in preparing financial reports shall also complete a minimum of 6 hours of professional training annually. The training may be through internal company education or professional courses offered by the Chief Accounting Officer's training institutions.

The Company shall select a professional, responsible, and independent certifying accountant (CPA) to periodically audit the Company's financial condition and internal controls. The Company shall thoroughly review and implement improvements for any abnormalities or deficiencies promptly identified and disclosed by the CPA during the audit, as well as any specific recommendations for improvement or prevention of malpractice. A communication channel or mechanism between the Independent Directors or Audit Committee and the certifying CPA should be established, and internal operating procedures should be established and incorporated into the internal control system for control purposes.

The Company shall periodically (at least once a year) evaluate the independence and suitability of the appointed CPA, referencing Audit Quality Indicators (AQIs). If the Company has not replaced its CPA for seven consecutive years, or if the CPA has been subject to disciplinary action or there is any impairment of independence, the Company shall evaluate the necessity of replacing the CPA and report the evaluation results to the Board of Directors.

Article XXX.

The Company should engage professional and competent legal counsel to provide appropriate legal consulting services to the Company, or to assist the Board of Directors and management in enhancing their legal literacy, preventing the Company and relevant personnel from violating laws, and ensuring the operation of corporate governance procedures within the relevant legal framework and statutory procedures.

In the event that a director or manager is involved in a lawsuit or dispute with shareholders while performing their duties in accordance with the law, the Company shall engage legal counsel as deemed necessary.

The Audit Committee or its Independent Director members may, on behalf of the Company, engage legal counsel, a CPA, or other professionals to conduct necessary audits or provide consultations on matters related to the exercise of their powers, with the costs borne by the Company.

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

Article XXXI.

The Company's Board of Directors shall convene at least once per quarter and may be called at any time in the event of an emergency. The notice for a Board meeting shall clearly specify the reasons for the call and be given to each director at least seven days in advance, along with sufficient meeting materials. If the meeting materials are insufficient, directors have the right to request supplementation or may move for a deferral of deliberation after a Board resolution.

The Company shall establish Rules of Procedure for the Board of Directors. Matters concerning the main contents of the proceedings, operational procedures, required content of the minutes, public announcement, and other compliance requirements shall be handled in accordance with the Regulations Governing the Procedures for Board of Directors Meetings of Public Companies.

Article XXXII.

Directors shall exercise a high degree of self-discipline. A director who has a conflict of interest in a proposal listed on the Board meeting agenda, either personally or through the legal entity they represent, shall explain the material content of the conflict at the current Board meeting. If there is a risk of prejudice to the Company’s interests, the director shall not participate in the discussion or voting, shall recuse themselves from the discussion and voting, and shall not exercise the voting rights of other directors by proxy.

Matters requiring a director’s automatic recusal shall be clearly stipulated in the Rules of Procedure for the Board of Directors.

Article XXXIII.

The Company’s Independent Directors shall personally attend to the matters required to be submitted to the Board of Directors under Article 14-3 of the Securities and Exchange Act and shall not appoint a non-Independent Director as a proxy. If an Independent Director has an objection or reservation, it shall be recorded in the minutes of the Board of Directors meeting. If an Independent Director is unable to attend the Board meeting in person to express an objection or reservation, they shall provide a written statement in advance, unless there is a justifiable reason, and the statement shall be recorded in the minutes of the Board of Directors meeting.

If a resolution of the Board of Directors involves any of the following circumstances, in addition to being recorded in the minutes, it shall be publicly announced and reported on the MOPS before the start of trading hours (two hours before) on the next business day following the date of the Board meeting:

1. An Independent Director has an objection or reservation, and it is recorded, or a written statement is provided.
2. For companies that have established an Audit Committee, if a matter not approved by the Audit Committee is subsequently approved by more than two-thirds of all directors.

During the Board meeting, non-director managers from relevant departments may be invited to attend, depending on the subject matter, to report on the Company's current business status and answer directors' questions. When necessary, accountants, lawyers, or other professionals may also be invited to attend the meeting to assist directors in understanding the Company's status and making appropriate resolutions, but they shall withdraw during discussion and voting.

Article XXXIV.

The Board of Directors' meeting secretary shall faithfully and accurately record the meeting reports, the summary of the proceedings, the method of resolution, and the results for each proposal in accordance with relevant regulations.

The minutes of the Board of Directors meeting shall be signed or sealed by the chairperson and the secretary and distributed to all directors within twenty days after the meeting.The directors' attendance roster shall be a part of the minutes and shall be included in the Company's important files and properly preserved permanently for the duration of the Company's existence.

The preparation, distribution, and preservation of the minutes may be done electronically.

The Company shall make audio or video recordings of the entire Board of Directors meeting process for evidence and preserve them for at least five years. The preservation may be done electronically. If a lawsuit concerning a Board resolution occurs before the expiration of the preservation period in the preceding paragraph, the relevant audio or video evidence shall continue to be preserved, and the provision of the preceding paragraph shall not apply.

If the Board of Directors meeting is convened via video conference, the audio and video recordings of the meeting shall be a part of the minutes and

shall be permanently preserved.
If a resolution of the Board of Directors violates laws, the Articles of Incorporation, or a resolution of the Shareholders' Meeting, causing damage to the Company, a director who has expressed an objection may be exempted from liability for compensation if there is evidence in the form of a record or a written statement.

Article XXXV.

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

1. The Company's operational plan.
2. Annual and semi-annual financial reports. This does not apply to semi-annual financial reports that are not required by law to be audited and certified by a CPA.
3. The establishment or amendment of the internal control system, and the evaluation of the effectiveness of the internal control system, in accordance with Article 14-1 of the Securities and Exchange Act.
4. The establishment or amendment of the procedures for major financial and business activities, such as the acquisition or disposal of assets, engagement in derivative product trading, lending of funds to others, and making of endorsements or providing guarantees, in accordance with Article 36-1 of the Securities and Exchange Act.
5. Public offering, issuance, or private placement of equity-based securities.
6. The performance evaluation and remuneration standards of the managers.
7. The remuneration structure and system for the directors.
8. The appointment or dismissal of the Chief Financial Officer, Chief Accounting Officer, or Chief Internal Audit Officer.
9. Donations to related parties or material donations to non-related parties. However, public welfare donations for disaster relief due to a major natural disaster may be ratified at the next Board meeting.
10. Matters that are required to be resolved by the Shareholders' Meeting or submitted to the Board of Directors for resolution in accordance with Article 14-3 of the Securities and Exchange Act, other laws and regulations, the Articles of Incorporation, or other material matters prescribed by the competent authority.

Aside from the matters required to be discussed by the Board of Directors in the preceding paragraph, during the recess of the Board of Directors, any delegation of authority to exercise the powers of the Board in accordance with laws or the Company’s Articles of Incorporation shall be specific and explicit in terms of the level of authorization, content, or matter, and shall not be a blanket authorization.

Article XXXVI.

The Company shall clearly assign the matters resolved by the Board of Directors to the appropriate executing unit or personnel, requiring them to implement the resolution according to the planned schedule and objectives, and shall include the matter in tracking management to rigorously assess its execution status.

The Board of Directors shall fully monitor the progress of execution and receive a report at the next meeting to ensure that the Board's management decisions are implemented.

Section 5: Directors' Fiduciary Duty, Duty of Care, and Responsibility

Article XXXVII.

Board members shall faithfully execute their duties and exercise the duty of care of a good administrator, performing their functions with a high degree of self-discipline and prudence. The execution of the Company’s business shall be strictly carried out in accordance with the resolutions of the Board of Directors, except for matters required by law or the Articles of Incorporation to be resolved by the Shareholders’ Meeting.

The Company should establish Board of Directors performance evaluation methods and procedures. In addition to conducting annual self- or peer-assessments of the Board of Directors and individual directors, the Company may also engage an external professional institution or use other appropriate methods to conduct performance evaluations. The evaluation of the Board of Directors' performance should include the following dimensions and establish appropriate evaluation indicators 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. Director selection and continuous professional development.

5. Internal controls.

The evaluation of directors' performance (self- or peer-assessment) should include the following dimensions, appropriately adjusted based on the Company's needs:

1. Grasp of the Company's goals and mission.
2. Recognition of the director's duties.
3. Degree of participation in the Company's operations.
4. Management of internal relationships and communication.
5. Director's professionalism and continuous professional development.
6. Internal controls.

The Company should conduct performance evaluations for its functional committees. The evaluation content should preferably include the following dimensions, appropriately adjusted based on the Company's needs:

1. Degree of participation in the Company’s operations.
2. Recognition of the functional committee's duties.
3. Improvement in the quality of the functional committee's decision-making.
4. Composition of the functional committee and selection of members.
5. Internal controls.

The Company should report the results of the performance evaluation to the Board of Directors and use them as a reference for the remuneration of individual directors and their nomination for re-election.

Article XXXVII-I

The Company should establish a management succession plan, and the Board of Directors shall regularly evaluate the plan's development and implementation to ensure sustainable operation.

Article XXXVII-II

The Board of Directors should evaluate and supervise the Company's intellectual property (IP) management direction and performance based on the following dimensions to ensure the Company establishes an IP management system using the "Plan, Do, Check, Act" (PDCA) management cycle:

1. Formulating IP management policies, objectives, and systems that are linked to the operating strategy.

2. Establishing, implementing, and maintaining an IP acquisition, protection, maintenance, and utilization management system according to the Company's size and type.
3. Determining and providing resources sufficient for the effective implementation and maintenance of the IP management system.
4. Monitoring internal and external risks or opportunities related to IP management and taking responsive measures.
5. Planning and implementing mechanisms for continuous improvement to ensure the operation and effectiveness of the IP management system meet the Company's expectations.

Article XXXVIII.

If a resolution of the Board of Directors violates laws or the Articles of Incorporation, and a shareholder holding shares for one year or more or an Independent Director requests the Board of Directors to suspend the execution of the resolution, the Board members shall promptly and properly handle the matter or cease the execution of the relevant resolution.

If a Board member discovers that the Company is at risk of suffering material damage, they shall handle the matter in accordance with the preceding paragraph and immediately report it to the Audit Committee or its Independent Director members.

Article XXXIX.

The Company shall procure Liability Insurance for its directors during their term of office to cover their legal liability for compensation arising from the execution of their duties. This is to mitigate and diversify the risk of significant damage to the Company and its shareholders arising from directors' errors or negligence.

After procuring or renewing the Directors' Liability Insurance, the Company shall report the material contents of the insurance, such as the insured amount, coverage, and premium rate, at the most recent Board of Directors meeting.

Article XL.

Board members should continue to participate in training courses covering topics such as finance, risk management, business, commerce, accounting, law, or corporate social responsibility, as designated by the Company's Guidelines for the Implementation of Director Training, upon taking office or during their tenure. The Company shall also instruct all employees at all levels to strengthen their professional and legal knowledge.

Chapter Four: Respect for Stakeholders' Rights and Interests

Article XLI.

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

When the lawful rights and interests of a stakeholder are infringed, the Company shall handle the matter appropriately in accordance with the principle of good faith.

Article XLII.

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 lawful rights and interests are infringed, the Company shall respond positively and, with a commitment to responsibility, ensure that creditors have an appropriate channel for obtaining compensation.

Article XLIII.

The Company shall establish an employee communication channel to encourage direct communication between employees and the management/Board of Directors, and to appropriately reflect employees' opinions on the Company's operations, financial condition, or material decisions that involve employee interests.

Article XLIV.

While maintaining normal business development and maximizing shareholder interests, the Company shall focus on issues such as consumer rights, community environmental protection, and public welfare, and emphasize the Company’s social responsibility.

Chapter Five: Enhancement of Information Transparency

Section 1: Strengthening Information Disclosure

Article XLV.

Information disclosure is a primary responsibility of the Company. The Company shall faithfully fulfill its obligation in strict accordance with relevant laws, regulations, and the rules of the TWSE or TPEx.

The Company should aim to publicly announce and report its annual financial report within two months after the end of the fiscal year, and to publicly announce and report its first, second, and third quarterly financial reports, as well as monthly operating results, earlier than the statutory deadline.

The Company shall establish an online reporting system for public information, designate a person responsible for the collection and disclosure of 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 manner and in an adequate manner.

Article XLVI.

To enhance the accuracy and timeliness of material information disclosure, the Company shall select individuals who have a comprehensive understanding of the Company's financial and business affairs or can coordinate with various departments to provide relevant information, and who can independently speak on behalf of the Company to serve as the Company's Spokesperson and Acting Spokesperson.

The Company shall appoint one or more Acting Spokespersons, and any one Acting Spokesperson shall be able to speak on behalf of the Spokesperson when the latter is unable to perform their duties. The order of substitution shall be clearly defined to avoid confusion.

To ensure the effective implementation of the spokesperson system, the Company shall clearly stipulate a unified speaking procedure and require the management and employees to maintain the confidentiality of financial and business secrets and not arbitrarily disseminate information without authorization.

Any change in the Spokesperson or Acting Spokesperson shall be immediately reported for information disclosure.

Article XLVII.

The Company should utilize the convenience of the Internet to establish a website where it shall maintain information related to its financial and business affairs and corporate governance for the reference of shareholders and stakeholders. The Company should preferably provide English versions of its financial statements, corporate governance reports, and other relevant information.

The website mentioned 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 any potential for misleading the public.

Article XLVIII.

The Company shall hold investor conferences in accordance with the regulations of the TWSE or TPEx and shall preserve the meetings via audio or video recording. The financial and business information disclosed at the investor conference shall be entered into the MOPS in accordance with the regulations of the TWSE or TPEx and made available for public inquiry through the Company's website or other appropriate channels.

Section 2: Disclosure of Corporate Governance Information

Article XLIX.

The Company's website shall include a dedicated section to disclose the following corporate governance information and shall be continuously updated:

1. Board of Directors: Such as the resumes and responsibilities of the Board members and the policy and implementation status of Board diversity.
2. Functional Committees: Such as the resumes and responsibilities of the members of each functional committee.
3. Corporate Governance Regulations: Such as the Articles of Incorporation, Rules of Procedure for the Board of Directors, and Organizational Regulations of the functional committees, and other related corporate governance regulations.
4. Important information related to corporate governance: Such as information on the appointment of the Corporate Governance Officer.

Chapter Seven: Supplementary Provisions

Article L.

The Company shall continually monitor the development of domestic and international corporate governance systems and, accordingly, review and improve the corporate governance system it has established to enhance its corporate governance performance.

Article LI.

1. These Principles were established on December 19, 2022.
2. First revision on April 10, 2023.
3. Second revision on October 15, 2024.