

Weblink International Inc. Corporate Governance Best-Practice Principles

Chapter I General Principles

Article 1 In order to establish a sound corporate governance system, Weblink International Inc. ("the Company") is advised to promulgate their own corporate governance principles in accordance with Corporate Governance Best-Practice Principles for companies listed on the Taiwan Stock Exchange Corporation ("TWSE") and the GreTai Securities Market ("GTSM", collectively referred to as "TWSE/GTSM listed companies").

Article 2 When a company establishes a corporate governance system, in addition to complying with the provisions of laws and articles of association, as well as the contracts signed with TWSE or GTSM and related regulatory matters, it should also comply with the following principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the powers of the board of directors
3. Fulfill the supervision function of an audit committee.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency and privacy protection.

Article 3 The Company follows the Criteria Governing Establishment of Internal Control System by Public Reporting Companies and take into consideration the overall operational activities of itself and its subsidiaries in establishing an effective internal control system, and review it at all times, in order to ensure the continued effectiveness of its design and implementation in light of changes in the Company's internal and external environment.

In addition to fully performing voluntary assessments of the internal control system by the Company, its board of directors and the management shall review the result of the voluntary assessments of each department and the report of the internal audit department at least annually. The directors and the audit committee shall record the reviewing result, track and execute the improvement, then reporting in the board meeting.

The management of the Company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, evaluate problems of the internal control system and assess the efficiency of operations to ensure that such system can be carried out effectively on an on-going basis and may assist the board of directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

To put the internal control system into effect, strengthen the professional abilities of the agent of the internal auditor and to further improve and maintain the quality and

implementing result of the audit, the Company shall have a deputy in place for the internal auditing personnel. Furthermore, the qualifications that internal auditors and their deputies should meet, the performance of audit work and continuous training, etc., should comply with the relevant regulations on establishing internal control systems for listed companies.

Chapter II Protection of Shareholders' Rights and Interests

- Article 4** The corporate governance system of the Company shall take the protection of shareholders' rights and interests and treat all shareholders fairly.
The Company shall establish a corporate governance system which ensures shareholders' rights of being fully informed of, participating in and making decisions over important matters of the Company.
- Article 5** The Company shall convene shareholders meetings in accordance with the Company Law and relevant laws and regulations and provide comprehensive rules for such meetings. The Company shall faithfully implement resolutions adopted by shareholders meetings in accordance with the rules for the meetings.
Resolutions adopted by shareholders meetings of the Company shall comply with laws, regulations, and articles of incorporation.
- Article 6** The board of directors of the Company shall properly arrange shareholders meeting discussion topics and procedures. Establish the principles and operating procedures for shareholders to nominate directors and shareholders' meeting proposals and properly handle proposals submitted by the law; shareholders' meetings should arrange a convenient meeting location, reserve sufficient time, and assign appropriate and qualified personnel. When taking the registration procedures, no additional certification documents required for shareholders' attendance shall be added, as well as other supporting documents. Shareholders shall be granted reasonable time to deliberate each proposal and afforded an appropriate opportunity to make statements.
For the shareholders meetings that are convened by the board of directors, it would be advisable for a majority of the directors (including at least one independent director) and convener of the audit committee to attend the meeting in person, and at least one member of other functional committees attend as representative. The attendance of the shareholders meeting shall be recorded in the meeting minutes.
- Article 7** The Company shall encourage its shareholders to actively participate in its corporate governance, and advisable to appoint a professional stock agency to handle shareholders' meeting affairs. And holding shareholders meetings on the premise of legal, effective, and safe proceedings.
The Company shall seek all ways and means, including fully exploiting technologies for information disclosure and voting method to enhance the attendance rate of

shareholders at the shareholders meeting, and ensure the exercise of shareholders' rights by shareholders at the shareholders meeting in accordance with laws.

The Company is advised to arrange for their shareholders to vote by poll on the proposals included in the shareholders meeting agenda one by one and enter the voting results, namely the numbers of votes cast "For" and "Against" and the number of "Abstentions," for each proposal, after the shareholders meeting on the same day that it is held, into the Internet information reporting system designated by the Company.

Article 8 The Company shall, in accordance with the Company Act and other applicable laws and regulations, record in the shareholders meeting minutes the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors.

The shareholders meeting minutes shall be properly and perpetually kept by the Company during its legal existence, and should be sufficiently disclosed on the Company's website.

Article 9 The chairman of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the Company. The chairman shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will.

In order to protect the interests of most shareholders, if the chairman declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders meetings, it would be advisable for the members of the board of directors other than the chairman of the shareholders meeting to promptly assist the attending shareholders at the shareholders meeting in electing a new chairman of the shareholders meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10 The company should attach great importance to the shareholders' right to know, strictly abide by the relevant regulations on information disclosure, and regularly and promptly provide shareholders with information on the company's financial, business, insider shareholding, and corporate governance status using public information observatories or the company's website.

To safeguard the rights and interests of shareholders and implement equal treatment of shareholders, the company should formulate internal regulations to

prohibit company insiders from using undisclosed information in the market to buy and sell securities.

Article 11 Shareholders should have the right to share in the company's earnings. The shareholders' meeting may review the schedule prepared by the board of directors and the audit committee report by the provisions of the Company Law and decide on the distribution of profits or the appropriation of losses to ensure shareholders' investment rights and interests. When the shareholders' meeting conducts a preliminary inspection, it may appoint an inspector. Shareholders may request the court to appoint inspectors by the provisions of the Company Law to inspect the company's business accounts, property status, specific matters, and specific transaction documents and records. The company's board of directors, audit committee, and managers shall fully cooperate with the inspection operations of the inspectors in the first two paragraphs. It shall not obstruct, refuse, or evade.

Article 12 In entering material financial and business transactions such as acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, the Company shall proceed in accordance with the applicable laws and/or regulations and establish operating procedures in relation to these material financial and business transactions which shall be reported to and approved by the shareholders meeting so as to protect the interests of the shareholders. When the Company involves in a merger, acquisition, or public tender offer, in addition to proceeding in accordance with the applicable laws and/or regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, but information disclosure and the soundness of the company's financial structure thereafter. The relevant personnel of the Company handling the matters shall pay attention to the event of conflict of interest and the avoidance from the same.

Article 13 To protect the interests of the shareholders, it would be advisable for the Company to designate personnel exclusively dedicated to handling proposals by, inquiries from, and disputes relating to its shareholders. The Company shall properly deal with matters arising from any action instituted by shareholders pursuant to the applicable laws claiming damage to such shareholders' rights and interests caused by the resolution adopted in its shareholders meetings or the board of directors' meetings in violation of the applicable laws, regulations, or its articles of incorporation, or claiming a breach by its directors, managers of applicable laws, regulations, or the Company's articles of incorporation in performing their duties.

- Article 14** The company's board of directors is responsible for establishing an interactive mechanism with shareholders to enhance their mutual understanding of the company's development goals.
- Article 15** In addition to communicating with shareholders through shareholders' meetings and encouraging shareholders to participate in shareholders' meetings, the company's board of directors also efficiently contacts shareholders, understands shareholders' opinions and issues of concern with managers and independent directors, and clearly explains the company's policies that gain shareholder support.
- Article 16** The Company shall clearly identify the allocation of its management authorities and responsibilities over personnel, assets and financial matters of its affiliated enterprises, and shall conduct risk evaluation and establish appropriate firewalls.
- Article 17** Unless otherwise provided by the laws and regulations, a manager of the Company may not serve as a manager of its affiliated enterprises.
However, for those managers having positions in a 100% directly or indirectly owned subsidiary of the Company, which are beneficial for the fulfillment of the Group's business operations and do not exist conflict of interests, will be otherwise provided. A director, who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations, shall explain the major content of such actions to the shareholders meeting and obtain its consent.
- Article 18** The Company shall establish a sound management system for finance, operations and accounting in accordance with the relevant laws and regulations. It shall further, together with its affiliated enterprises, properly conduct an overall risk evaluation of the major banks they are dealing with, their customers and their suppliers, and carry out the necessary control mechanism to reduce credit risks.
- Article 19** Where the Company and its affiliated enterprises enter intercompany business transactions, a written agreement governing the relevant financial and business operations between each other shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited.
All transactions or contracts made by and between the Company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph and tunneling of profits is strictly prohibited. The managers or representatives of the Company shall not participate in any decision making and performance of duties with respect to transactions or contracts with which such managers or representatives have conflict of interests.
- Article 20** A corporate shareholder having controlling power over the Company shall comply with the following provisions:

1. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the company to conduct any business which is contrary to normal business practice or not profitable.
2. Its representative shall follow the rules implemented by its company with respect to the exercise of rights and participation of resolution, so that at a shareholders meeting, the representative shall exercise his/her voting right for the best interest of all shareholders and in good faith and exercise the fiduciary duty and duty of care of a director.
3. It shall comply with relevant laws, regulations and the articles of incorporation of the company in nominating directors and shall not act beyond the authority granted by the shareholders meeting or board meeting.
4. It shall not improperly intervene in corporate policy making or obstruct corporate management activities.
5. It shall not restrict or impede the management or production of the company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.
6. The legal representative appointed as a director should meet the professional qualifications required by the company and should not be reassigned arbitrarily.

Article 21

The Company shall ensure the command at any time of information on the identity of major shareholders, who own a higher percentage of shares and have an actual control over the Company, and its ultimate control persons.

The Company shall disclose periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the Company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares.

The major shareholder indicated in the first paragraph refers to those who owns 5 percent or more of the outstanding shares of the Company or the shareholding stake thereof is on the top 10 list, provided otherwise that the Company sets up a lower shareholding threshold according to the actual shareholding stake that may control the Company.

Chapter III Enhancing the Function of Board of Directors

Article 22

The board of directors of the Company shall direct company strategies, supervise the management, and be responsible to the shareholders meetings. Procedures and arrangement relating to corporate governance shall ensure that, in exercising its authority, the board of directors will comply with laws, regulations, articles of incorporation, and the resolutions of shareholders meetings of the Company. Regarding the structure of the board of directors, the Company shall determine an appropriate number of board members not less than five persons, in consideration

of its business scale, the shareholding of its major shareholders and practical operational needs.

The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, culture, and culture race.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the board shall have the necessary knowledge, skill, and experience to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Ability to make operational judgment.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Industrial knowledge.
6. International market perspective.
7. Ability to lead.
8. Ability to make decisions.

Article 23 The Company shall, according to the principles for the protection of shareholder rights and interests and equitable treatment of shareholders, establish a fair, just, and open procedure for the election of directors, encourage shareholder participation, and shall adopt the cumulative voting mechanism pursuant to the Company Act in order to fully reflect shareholders' views.

Unless otherwise the competent authority grants an approval, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.

Where the number of directors falls below five due to the release of director(s) for any reason, the Company shall hold a by-election for director at the next following shareholders meeting. Where the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the Company shall convene a special shareholder meeting within 60 days of the occurrence of that fact for a by-election for director(s).

The aggregate shareholding percentage of all the directors of the Company shall

comply with the laws and regulations. Restrictions on the share transfer of each director and the creation, release, or changes of any pledges over the shares held by each director shall be subject to the relevant laws and regulations, and the relevant information shall be fully disclosed.

Article 24 The Company is advised to specify in its Articles of Incorporation that it adopts the candidate nomination system for elections of directors, and to carefully review in advance the qualifications, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to a nominated candidate; the nomination shall be processed in accordance with the Company Act.

Article 25 Clear distinctions shall be drawn between the responsibilities and duties of the chairman of the board of the Company and those of its general manager. It would be inappropriate for the chairman to at the same time act as the general manager or equivalent positions. The Company with a functional committee shall clearly define the responsibilities and duties of the committee.

Article 26 The Company shall appoint independent directors in accordance with its articles of incorporation not less than two in number and not less than one-fifth of the total number of directors. Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings and the positions they may concurrently hold. In addition to complying with relevant laws and regulations, it is not appropriate to simultaneously serve as a director (including independent director) or supervisor of more than five listed companies. They shall maintain independence within the scope of their directorial duties and may not have any direct or indirect interest in the Company. If the Company and its group enterprises and organizations, and another company and its group enterprises and organizations nominate for each other any director or managerial officer as a candidate for an independent director of the other, the Company shall, at the time it receives the nominations for independent directors, disclose the fact and explain the suitability of the candidate for independent director. If the candidate is elected as an independent director, the Company shall disclose the number of votes cast in favor of the elected independent director. The "group enterprises and organizations" in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50 percent of its endowment, and other institutions or juristic persons that are effectively controlled by the Company. The professional qualifications, restrictions on both shareholding and concurrent

positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matter for Public Companies, and the rules and regulations of the TWSE or GTSM.

Article 27 The company shall, by the provisions of the Securities and Exchange Law, submit the following matters to the board of directors for resolution; if independent directors have objections or reservations, they shall be stated in the minutes of the board meeting:

1. Establish or amend the internal control system by Article 14-1 of the Securities and Exchange Act.
2. Establish or amend the procedures for handling significant financial business activities, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others, by Article 36-1 of the Securities and Exchange Act.
3. Matters involving the directors' interests.
4. Significant asset or derivatives transactions.
5. Significant capital loans, endorsements, or guarantees.
6. Raising, issuing, or privately placing securities of an equity nature.
7. Appointment, dismissal, or remuneration of certification accountants.
8. Appointment and removal of finance, accounting, or internal audit managers.
9. Other significant matters specified by the competent authority.

Article 28 The Company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. The Company or other board members shall not obstruct circumvent or reject the performance of duties by the independent directors.

The Company shall stipulate the remuneration of the directors. The remuneration of the directors shall fully reflect the personal performance and the long-term management performance of the Company and shall also take the overall operational risks of the Company into consideration. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Article 29 To developing supervision functions and strengthening management mechanisms, the board of directors of the Company may, taking into account the size of the board, the type of operations, and the number of the independent directors, set up audit, remuneration, assets management and handling, nomination, risk management or any other functional committees, and based on the

beliefs in corporate social responsibility and sustainable operation, set up an environmental protection or other committees, and have them stipulated in the articles of incorporation.

Functional committees shall be responsible to the board of directors and submit the proposals to the board of directors for approval; provided that the performance of supervisor's duties by the audit committee pursuant to Article 14-4, paragraph 4 of the Securities and Exchange Act shall be excluded.

Article 30 The Company established an audit committee. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The exercise of power by audit committee and independent directors and related matters shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules and regulations of the TWSE or GTSM.

Article 31 The Company established a remuneration committee, the professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to 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 32 The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the Company's internal control system for management purposes.

Article 33 The company should appoint a deputy for the accounting supervisor position to enhance the quality of financial reporting. The deputy for the accounting supervisor should undergo annual continuous education, according to the requirements of the accounting supervisor, to strengthen their professional competence. Accounting persons preparing financial reports should also undergo professional training for at least six hours annually. They can conduct the training through internal educational programs within the company or by participating in professional courses organized by institutions where the accounting supervisor pursues their continuing education.

The Company shall select a professional, responsible, and independent CPA to be its

external auditor, who shall perform regular reviews of the Company's financial conditions and internal control measures. Regarding the irregularity or deficiency timely discovered and disclosed by the auditor during the review and the concrete measures for improvement or prevention suggested by the auditor, the Company shall faithfully implement improvement actions, and also advisable to establish a communication channel or mechanism between certified accountants with independent directors or audit committees, formulate internal operating procedures, and incorporate them into the internal control system.

The Company shall evaluate the independence of the CPA engaged by the Company regularly and no less frequently than once annually. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary actions or other circumstances prejudicial to the independence of the CPA, the Company shall review the necessity of replacing the CPA, and shall submit to the board the conclusion of such review.

Article 34 It is advisable that the Company engage a professional and competent legal counsel to provide adequate legal consultation services to the Company, or to assist the directors and the management to improve their knowledge of the law, for the purposes of preventing any infraction by the Company or its staff of laws or regulations, and ensuring the corporate governance matters will proceed pursuant to the relevant legal framework and the prescribed procedures.

In the event that the directors or the management are involved in litigation as result of performing his or her duties as provided by the law or arising from shareholders disputes, depending on the circumstances the Company shall retain a legal counsel to provide assistance.

Article 35 The board of directors of the Company shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting material shall also be prepared and enclosed in the meeting notice. If the meeting material is deemed inadequate, a director may ask the unit in-charge to provide more information or request a postponement of the meeting with the consent of the board of directors. The Company shall adopt the rules of proceedings for board meetings and follow the provisions in the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcement, and other matters for compliance.

Article 36 A director shall exercise a high degree of self-discipline and shall voluntarily recuse from participating in discussion and voting, for himself or herself or as proxy for another director, on a proposal submitted to the board of directors that risks the involvement of the director's own interest to the detriment of the interest of the Company. The directors shall practice self-discipline as to their internal relationship and must not support each other in an inappropriate manner.

The matters that a director shall voluntarily recuse from voting shall be clearly set forth in the rules for the proceedings of board meetings.

Article 37 The independent directors of the Company must attend a board meeting in person without being represented by a non-independent director via proxy when the meeting is convened for considering any of the matters submitted to the board pursuant to Article 14-3 of the Securities and Exchange Act. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting, if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless justifiable reasons exist for failure to so comply, and the opinion shall be noted in the minutes of the board of directors meeting.

In any of the decisions made by the board of directors, if having one of the following provisions, shall be noted in the meeting minutes, and in addition, announced and reported on a website designated by the competent authority 2 hours early before the beginning trading hour on the first business day after the date of said board meeting.

1. Independent director having a dissenting or qualified opinion which is on record or stated in a written statement.
2. More than two-thirds of all directors must approve matters not approved by the Audit Committee.

During the proceeding of the board meetings, managers from the relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make report on the current business conditions of the Company and respond to inquiries raised by the directors. Where necessary, CPA, legal counsel or other professionals may be invited to sit in at the meetings to assist the directors in understanding the conditions of the Company for the purpose of adopting an appropriate resolution. When the meeting processes discussions and voting, members should leave.

Article 38 Staff personnel of the Company attending board meetings shall collect and correctly record the meeting minutes in detail, and the summary, method of resolution, and

voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

The minutes of the board of directors' meetings shall be signed by the chairman and secretary of the meeting and be sent to each director within 20 days after the meeting. The director attendance records shall become a part of the meeting minutes and be treated as important corporate records and be kept safe permanently during the life of the Company.

Meeting minutes may be produced, distributed, and preserved by electronic means. A company shall record on audio or video tape the entire proceedings of a board of directors meeting, and preserve the recordings for at least 5 years, in electronic form or otherwise.

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

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

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

Article 39 The Company shall submit the following matters to its board of directors for discussion:

1. Corporate business plan.
2. Annual and semi-annual financial reports.
3. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and the evaluation of effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The performance assessment and the standard of remuneration of the managerial officers.
7. The structure and system of director's remuneration.

8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders meeting or to be approved by resolution to a meeting of the board of directors, or any such significant matter as may be prescribed by the competent authority.

The Company shall submit the minutes of the seminars regarding the problems and review of the internal control system to the board of directors and make a report to the same. Except for matters that must be submitted to the board of directors for discussion as provided in paragraph 1, the board of directors may delegate others to exercise its power when it is in recess according to laws or regulations, or its articles of incorporation. The delegation however shall be specific with regard to the level, content or matters of authorization, and general authorization is not permitted.

Article 40

The Company shall ask the appropriate corporate department or personnel to handle matters and implement actions pursuant to the board of directors' resolutions in a way consistent with the program schedule and objectives. It shall also follow up on these matters and faithfully review their implementation. The board of directors shall ensure full control of the implementation and progress of these matters and make a report in subsequent meetings so as to ensure that the board's management decisions are faithfully implemented.

Article 41

Members of the board of directors shall conduct corporate affairs with loyalty and perform this duty of care as a good administrator. In conducting the affairs of the Company, they shall exercise their power with a high level of self-discipline and prudential attitude. Unless matters are otherwise reserved for approvals in shareholders meetings by law or in the articles of incorporation of the Company, they shall ensure that all matters be handled according to the resolutions of board of directors.

Where resolutions of the board of directors involve business development of the Company and significant policy direction, the board of directors shall make careful consideration and may not affect the implementation and effectiveness of corporate governance.

Independent directors shall perform their duties in accordance with relevant laws, regulations, and the Company's articles of incorporation so as to protect the interest of the Company and shareholders.

It is advisable that the Company formulated rules and procedures for board of directors' performance assessments. Each year, the Company shall conduct regularly scheduled performance assessments of the board of directors and individual directors through self-assessment, or peer-to-peer assessments, and it may also

conduct the performance assessments through outside professional institutions, or in any other appropriate manner.

Article 42 If a resolution of the board of directors violates law, regulations, or the Company's articles of incorporation, at the request of shareholders holding shares continuously for a year or an independent director to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering any threat of the Company suffering material injury, members of the board of directors shall immediately report to the audit committee, an independent director member of the audit committee in accordance with the foregoing paragraph.

Article 43 The Company is advised to ensure liability insurance for directors with respect to their liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director.

The Company is advised to report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has insured or renewed for supervisors, at the next board meeting.

Article 44 Members of the board of directors are advised to participate in training courses on finance, risk management, business, commerce, accounting, law, or corporate social responsibility offered by institutions designated in the Rules Governing Implementation of Continuing Education for Directors of TWSE/GTSM Listed Companies, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that Company employees at all levels will enhance their professionalism and knowledge of the law.

Chapter IV Respecting Stakeholders' Rights

Article 45 The Company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders and shall respect and safeguard their legal rights and appropriate to set up a stakeholder area on the company website.

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

Article 46 The Company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the Company and decision-making process. When any of their legal rights or interest is harmed upon, the Company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

Article 47 The Company shall establish channels of communication with employees and encourage employees to communicate directly with the management, directors so as to reflect employees' opinions about the management, financial conditions and material decisions of the Company concerning employee welfare.

Article 48 In developing its normal business and maximizing the shareholders' interest, the Company shall pay attention to consumers' interest, environmental protection of community and public interest issues, and shall have high regard for the social responsibility of the Company.

Chapter V Improving Information Transparency

Article 49 Publication of information is the major responsibility of the Company. The Company shall perform its obligations faithfully in accordance with the relevant laws, and related TWSE rules.

The Company is advised to publish and report its annual financial report within two months after the end of a fiscal year; its financial reports for the first, second and third quarters as well as its operating status for each month are advised to publish and report before the deadline.

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

Article 50 To enhance the accuracy and timeliness of the material information disclosed, the Company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the Company's financial and business conditions and who are capable of coordinating among departments for gathering relevant information and representing the Company in making statements independently.

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

To implement the spokesperson system, the Company shall unify the process of making external statements and require the management and employees to maintain the confidentialities of financial and operational secrets and prohibit disclosure thereof by them at will.

The Company shall disclose the relevant information regarding any change to the position of a spokesperson or acting spokesperson upon such change.

Article 51 To keep shareholders and stakeholders fully informed, it is advisable that the Company utilizes the convenience of the Internet and set up a website containing

the information regarding the Company's finance, operation, and corporate governance. It is also advisable to contain the corporate governance information in English as well.

To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, in detail and updated timely.

Article 52 The Company shall hold an institutional investor meeting in compliance with the regulations of the TWSE, and it would be advisable to audio or video record the meeting. The financial and business information disclosed in the institutional investor meeting shall be disclosed on the designated internet information posting system and provided for inquiry through the website established by the Company or other channels in accordance with the TWSE rules.

Article 53 The Company shall disclose and update from time to time the following information regarding corporate governance in the fiscal year in accordance with laws and regulations of the TWSE.

1. Corporate governance framework and rules.
2. Ownership structure and the rights and interests of shareholders.
3. Structure and independence of the board of directors.
4. Responsibility of the board of directors and managerial officers.
5. Composition, duties, and independence of the audit committee.
6. Composition, duties, and operation of the remuneration committee and other function committee.
7. The remuneration paid to the directors, supervisors, general manager and vice general manager in the most recent fiscal year, the analysis of the percentage of total remuneration to the net profit after tax in the parent company only financial reports or individual financial reports, the policy, standard and package of remuneration payment, the procedure for determination of remuneration and the connection with the operation performance. Under a specifically special scenario, remuneration of the directors shall be disclosed respectively.
8. The progress of training of directors.
9. The rights, relationships, avenues for complaint, concerns, and appropriate response mechanism regarding stakeholders.
10. Details of the events subject to information disclosure required by law and regulations.
11. The enforcement of corporate governance, differences between the corporate governance principles implemented by the company and these Principles, and the reason for the differences.
12. Other information regarding corporate governance.

The Company is advised, according to the actual performance of the corporate governance system, to disclose the plans and measures to improve its corporate governance system through appropriate mechanisms.

Chapter VI Supplementary Provisions

Article 54 The Company shall at all times monitor domestic and international development of corporate governance and thereby review and improve the Company's corporate governance mechanism so as to enhance the performance of corporate governance.

Article 55 These principles shall be carried out after the approval of the board of directors. This shall apply in the event of amendment of these principles.

Article 56 These principles were adopted on Mar 11, 2020.
The first amendment was approved on Nov 1, 2022.