

IKKA HOLDINGS(CAYMAN) LIMITED

Corporate Governance Code of Practice

Chapter 1 General Provisions

Article 1 (Legislative Purpose)

In order to assist listed companies in establishing good corporate governance systems and promote the sound development of the securities market, the Taiwan Stock Exchange Corporation (hereinafter referred to as the Stock Exchange) and the Securities Over-the-Counter Trading Center of the Republic of China (hereinafter referred to as the OTC Securities Trading Center) We have jointly developed this Code for compliance.

Listed OTC companies should refer to the relevant provisions of this Code to formulate the company's own corporate governance code, establish an effective corporate governance structure, and disclose it on the public information observatory.

Article 2 (Principles of Corporate Governance)

In establishing a corporate governance system, the company shall comply with the provisions of laws and articles of association, as well as the contracts signed with stock exchanges or over-the-counter trading centers and related regulatory matters, and shall also comply with the following principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the functions of the board of directors.
3. Give full play to the supervisory function.
4. Respect the rights and interests of stakeholders.
5. Improve information transparency.

Article 3 (Establishment of internal control system)

The company should follow the regulations on establishing internal control systems for publicly listed companies, consider the overall operating activities of the company and its subsidiaries, design and implement its internal control system, and review it at any time to respond to changes in the company's internal and external environment. , in order to ensure that the design and implementation of the system continue to be effective.

In addition to conducting self-assessment of the internal control system, the company's board of directors and management should review the self-assessment results of each department at least annually and review the audit reports of the audit unit on a quarterly basis. The audit committee should also pay attention to and supervise this. Directors should review the deficiencies in the internal control system regularly with internal auditors, keep records, track

and implement improvements, and submit a report to the board of directors. The company should establish communication channels and mechanisms between independent directors, the audit committee and the internal audit manager, and have the convener of the audit committee report to the shareholders' meeting the communication status between the audit committee members and the internal audit manager.

The company's management should attach great importance to the internal audit unit and personnel, grant them sufficient authority, and urge them to truly inspect and evaluate the deficiencies of the internal control system and measure the efficiency of operations to ensure that the system can be continuously and effectively implemented, and assist the board of directors and management to truly perform its responsibilities, and then implement the corporate governance system.

The appointment, removal, evaluation, and salary remuneration of the company's internal auditors should be reported to the board of directors or signed by the audit supervisor and submitted to the chairman of the board for approval.

Article 3-1 (Personnel Responsible for Corporate Governance Related Matters)

The company should allocate a qualified and appropriate number of corporate governance personnel based on the company's size, business conditions and management needs, and should designate a corporate governance manager in accordance with the regulations of the competent authority, stock exchange or over-the-counter trading center to be responsible for corporate governance-related matters. The top manager of the affairs should have obtained the professional qualifications of a lawyer or an accountant or have been in charge of legal affairs, legal compliance, internal auditing, finance, stock affairs or corporate governance-related affairs in securities, finance, futures-related institutions or public companies for at least three years. years and above.

Matters related to corporate governance in the preceding paragraph shall at least include the following contents:

1. Handle matters related to board of directors and shareholders' meetings in accordance with the law.
2. Prepare minutes of board of directors and shareholders meetings.
3. Assist directors and supervisors in their appointment and continuing education.
4. Provide the information necessary for directors and supervisors to perform their business.
5. Assist directors and supervisors to comply with laws.

6. Report to the board of directors the results of its review of whether the qualifications of independent directors at the time of nomination, election and during their term of office comply with relevant laws and regulations.
7. Handle matters related to director changes.
8. Other matters stipulated in the company's articles of association or contract, etc.

Chapter 2 Protecting Shareholders' Rights and Interests

Section 1 Encourage shareholders to participate in corporate governance

Article 4 (Protecting Shareholders' Rights and Interests)

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

The company should establish a corporate governance system that ensures shareholders have full knowledge, participation and decision-making rights on major company matters.

Article 5 (Listed OTC companies shall convene shareholders' meetings and formulate complete rules of procedure)

The company shall convene a shareholders' meeting in accordance with the provisions of the Company Law and relevant laws and formulate complete rules of procedure. Matters that should be resolved by the shareholders' meeting must be strictly implemented in accordance with the rules of procedure.

The contents of the company's shareholders' meeting resolutions shall comply with the provisions of laws and the company's articles of association.

Article 6 (The board of directors of a listed company should properly arrange the topics and procedures for shareholders' meetings)

The company's board of directors should properly arrange the topics and procedures for shareholders' meetings, establish the principles and operating procedures for shareholders to nominate directors and shareholders' meeting proposals, and properly handle proposals proposed by shareholders in accordance with the law; shareholders' meetings should be held at a convenient location and This shall be supplemented by video conferencing, sufficient time shall be reserved, and adequate and competent personnel shall be assigned to handle the registration procedures. Documents supporting the attendance of shareholders shall not be arbitrarily added to require the provision of other supporting documents; and discretion shall be given to the conduct of each issue. Reasonable discussion time and give shareholders an appropriate opportunity to speak.

The shareholders' meeting convened by the board of directors should be chaired by the chairman of the board of directors in person, and should be attended in

person by more than half of the directors of the board of directors (including at least one independent director) and the convener of the audit committee (or at least one supervisor), as well as at least one member of other functional committees. Representatives shall attend and record their attendance in the minutes of the shareholders' meeting.

Article 7 (Listed OTC companies should encourage shareholders to participate in corporate governance)

The company should encourage shareholders to participate in corporate governance and should appoint a professional stock agency to handle shareholders' meetings so that the shareholders' meeting can be held legally, effectively and safely. Our company

Technological information disclosure methods should be fully adopted through various methods and channels, and Chinese and English versions of annual reports, annual financial reports, shareholders' meeting notices, proceedings manuals and meeting supplementary information should be uploaded simultaneously, and electronic voting should be adopted to improve The ratio of shareholders attending shareholders' meetings and ensuring that shareholders can exercise their shareholder rights at shareholders' meetings in accordance with the law.

The company is advised to avoid proposing extraordinary motions and amendments to original motions at shareholders' meetings.

The company should arrange for shareholders to vote on the shareholders' meetings on a case-by-case basis, and input the results of shareholders' approval, disapproval and abstention into the public information observation station on the day after the shareholders' meeting.

Article 8 (Minutes of Shareholders' Meetings)

The company shall, in accordance with the provisions of the Company Law and relevant laws, record the year, month, day, venue, name of the chairman and resolution method of the meeting in the minutes of the shareholders' meeting, and shall also record the essentials of the proceedings and their results. The election of directors shall specify the voting method and the number of elected directors.

Minutes of shareholders' meetings should be properly kept permanently during the company's existence, and if the company has a website, it should be fully disclosed.

Article 9 (The chairman of the shareholders' meeting should fully understand and abide by the company's rules of procedure)

The chairman of the shareholders' meeting should fully understand and abide by

the company's rules of procedure, keep the agenda smooth, and should not arbitrarily announce the adjournment of the meeting.

In order to protect the rights and interests of the majority of shareholders, if the chairman violates the rules of procedure and announces the adjournment of the meeting, other members of the board of directors should quickly assist the shareholders present to elect one person as chairman with the consent of more than half of the voting rights of the shareholders present and continue the meeting in accordance with legal procedures.

Article 10 (The company should pay attention to the rights of shareholders to know and prevent insider trading)

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

In order to treat shareholders equally, the release of various types of information mentioned in the preceding paragraph should be simultaneously disclosed in English.

In order to protect 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.

The preceding regulations should include the stock trading control measures for company insiders from the date they learn about the company's financial report or related performance content, including (but not limited to) directors shall not disclose the annual financial report thirty days before the announcement, and quarterly its stocks are traded during the closed period of 15 days before the announcement of the financial report.

Article 10-1 The company should report the remuneration received by the directors at the regular shareholders' meeting, including the remuneration policy, the content and amount of individual remuneration and the correlation with the performance evaluation results.

Article 11 (Shareholders should have the right to share the company's surplus)
Shareholders should have the right to share in the company's earnings. In order to ensure the investment rights and interests of shareholders, the shareholders' meeting may review the table prepared by the board of directors and the report of the audit committee in accordance with the provisions of Article 184 of the

Company Law, and decide on the distribution of profits or the appropriation of losses. When the shareholders' meeting conducts a preliminary inspection, it may appoint an inspector to do so.

Shareholders may request the court to appoint an inspector in accordance with the provisions of Article 245 of the Company Law to inspect the company's business accounts, property status, specific matters, 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 and shall not evade, obstruct or refuse.

Article 12 (Major financial business actions must be approved by the shareholders' meeting)

The company's acquisition or disposal of assets, capital loans, endorsement guarantees and other major financial business activities should be handled in accordance with relevant laws and regulations, and relevant operating procedures should be formulated and submitted to the shareholders' meeting for approval to protect the rights and interests of shareholders.

When a merger or public acquisition occurs in the company, in addition to handling it in accordance with relevant laws and regulations, it should also pay attention to the fairness and rationality of the merger or public acquisition plan and transaction, and pay attention to information disclosure and the subsequent soundness of the company's financial structure.

Personnel of the Company handling matters related to the preceding paragraph should pay attention to conflicts of interest and avoidance situations.

Article 13 (Listed OTC companies should have dedicated personnel to properly handle shareholder suggestions)

In order to ensure the rights and interests of shareholders, the company should have dedicated personnel to properly handle shareholder suggestions, doubts and disputes.

If the resolutions of the company's shareholders' meeting or board of directors violate the laws or the company's articles of association, or if its directors or managers violate the laws or the company's articles of association when performing their duties, thus causing damage to the rights and interests of shareholders, the company shall properly handle any lawsuit filed by the shareholder in accordance with the law. .

The company should formulate internal operating procedures to properly handle the first two matters, keep written records for reference, and incorporate them into the internal control system.

Section 2 Establishing an interactive mechanism with shareholders

Article 13-1 (The board of directors has the responsibility to establish an interactive mechanism with shareholders)

The company's board of directors has the responsibility to establish an interactive mechanism with shareholders to enhance their mutual understanding of the company's development goals.

Article 13-2 (Communicate with shareholders in an efficient manner and obtain support)

In addition to communicating with shareholders through shareholders' meetings and encouraging shareholders to participate in shareholders' meetings, the company's board of directors also contacts shareholders in an efficient manner, works with managers and independent directors to understand shareholders' opinions and issues of concern, and clearly explains the company's policies. policies to gain shareholder support.

Section 3 Corporate Governance Relationship between the Company and Related Persons

Article 14 (Establishing a Firewall)

The management objectives and rights and responsibilities of personnel, assets and finance between the company and its related enterprises should be clarified, risk assessments should be carried out and appropriate firewalls should be established.

Article 15 (Managers shall not serve concurrently with managers of related companies)

Unless otherwise provided by law, managers of the company shall not serve concurrently with managers of related companies.

If a director commits an act within the company's business scope for himself or others, he must explain the important content of his act to the shareholders' meeting and obtain its permission.

Article 16 (Establishing a sound financial, business and accounting management system)

The company should establish sound financial, business and accounting management objectives and systems in accordance with relevant laws and regulations, and should properly conduct comprehensive risk assessments with its affiliated companies on major banks, customers and suppliers, and implement necessary control mechanisms. to reduce credit risk.

Article 17 (Business dealings between a listed company and its affiliated enterprises shall be based on the principle of fairness and reasonableness)

If the company has financial business dealings or transactions with its related

parties and shareholders, it shall establish written regulations on mutual financial business-related operations based on the principle of fairness and reasonableness. Price conditions and payment methods should be clearly set for contract matters, and irregular transactions and improper transfer of benefits should be eliminated.

The content of the written regulations in the preceding paragraph shall include management procedures for purchase and sale transactions, acquisition or disposal of assets, capital loans, endorsement guarantees and other transactions, and relevant major transactions shall be submitted to the board of directors for approval and the shareholders' meeting for approval or report.

Article 18 (Matters that legal person shareholders with control over listed companies should comply with)

Legal person shareholders with control over listed companies should comply with the following matters:

1. Should have a duty of good faith to other shareholders and shall not directly or indirectly cause the company to conduct operations that are inconsistent with business practices or otherwise unprofitable.
2. Their representatives should follow the relevant regulations for exercising rights and participating in resolutions stipulated by listed companies. When participating in shareholders' meetings, they should exercise their voting rights based on the principle of good faith and the best interests of all shareholders, and be able to fulfill the duties of directors, Supervisor's duty of loyalty and care.
3. Nomination of directors and supervisors of the company shall be carried out in compliance with relevant laws and regulations of the company's articles of association, and shall not exceed the requirements of the company's shareholders.

The terms of reference of the East Council and the Board of Directors.

4. Do not interfere inappropriately with company decision-making or hinder business activities.
5. The company shall not restrict or hinder the company's production and operation through unfair competition methods such as monopoly procurement or closed sales channels.
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6. The legal representative appointed as a director or supervisor shall meet the professional qualifications required by the company.

It is advisable to reassign at will.

Article 19 (List of major shareholders and ultimate controller of major shareholders)

The company should keep abreast of the list of major shareholders and final controllers of major shareholders who hold a larger proportion of shares and can actually control the company.

The company should regularly disclose the pledge, increase or decrease of company shares, or other important events that may cause changes in shares of shareholders holding more than 10% of the shares, so that other shareholders can supervise.

The term "major shareholders" as mentioned in Paragraph 1 refers to the shareholders with a shareholding ratio of more than 5% or the top ten shareholders with a shareholding ratio. However, the company may set a lower shareholding ratio based on its actual control of the company's shareholding.

Chapter 3 Strengthening the Functions of the Board of Directors

Section 1 Board of Directors Structure

Article 20 (Competencies that the entire board of directors should possess)

The company's board of directors should guide the company's strategy, supervise the management, and be responsible to the company and shareholders. The various operations and arrangements of its corporate governance system should ensure that the board of directors exercises its powers in accordance with laws, the company's articles of association, or the resolutions of the shareholders' meeting.

The company's board of directors structure should determine the appropriate number of director seats for more than five people based on the company's business development scale and the shareholding status of its major shareholders, taking into account practical operational needs.

The composition of the board of directors should consider diversity. In addition to the fact that directors who are also managers of the company should not exceed one-third of the number of directors, appropriate diversification policies should be formulated based on its own operations, operating types and development needs, which should include but are not limited to the following

Two major aspects of standards:

1. Basic conditions and values: gender, age, nationality and culture, etc. Among them, the ratio of female directors should reach one-third of the director seats.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.

Board members should generally possess the necessary knowledge, skills and qualities to perform their duties. In order to achieve the ideal goals of corporate governance, the board of directors as a whole should have the following abilities:

1. Operational judgment ability.
2. Accounting and financial analysis skills.
3. Operation and management capabilities.
4. Crisis handling capabilities.
5. Industrial knowledge.
6. International market outlook.
7. Leadership skills.
8. Decision-making ability.

Article 21 (Listed OTC companies should establish fair, just and open director selection procedures)

The company shall, in accordance with the principles of protecting the rights and interests of shareholders and treating shareholders fairly, formulate fair, just and open procedures for the selection and appointment of directors, encourage shareholder participation, and shall adopt a cumulative voting system in accordance with the provisions of the Company Law to fully reflect the opinions of shareholders.

Unless approved by the competent authority, more than half of the directors of the company shall be directors and shall not be related to spouses or relatives within the second degree.

If directors are dismissed for any reason and there are fewer than five directors, the company shall hold a by-election at the latest shareholders' meeting.

However, if the vacancy of directors reaches one-third of the number of seats specified in the articles of association, the company shall convene an extraordinary meeting of shareholders for by-election within 60 days from the date of occurrence.

The total shareholding ratio of all directors on the company's board of directors should comply with legal requirements. Restrictions on the transfer of each director's shares, the establishment or cancellation of pledge rights, and changes should be handled in accordance with relevant regulations, and all information should be fully disclosed.

Article 22 (The articles of association stipulate that the candidate nomination system shall be adopted to elect directors)

The company shall, in accordance with the laws and regulations of the competent authority, specify in the articles of association that a candidate nomination system shall be adopted for the election of directors, carefully evaluate the qualifications of the nominees and whether they have the circumstances listed in Article 30 of the Company Law, and other matters, and It shall be handled in accordance with Article 192-1 of the Law.

Article 23 (The authorization and responsibilities of the board of directors of listed OTC companies for functional committees, chairman and general manager should be clearly divided)

The responsibilities of the company's chairman and general manager should be clearly divided.

It is not appropriate for the same person to serve as the chairman of the board of directors and the general manager or a person with equivalent positions.

If the company establishes a functional committee, its responsibilities should be clearly assigned.

Section 2 Independent Director System

Article 24 (The company shall set up independent directors in accordance with the provisions of the articles of association)

The company should set up two or more independent directors in accordance with the provisions of the articles of association, and the number of independent directors should not be less than one-third of the number of directors. The consecutive terms of independent directors should not exceed three terms.

Independent directors should have professional knowledge and their shareholdings should be limited. In addition to complying with relevant laws and regulations, they should not serve as directors (including independent directors) or supervisors of more than five listed companies at the same time. Maintain independence and must not have any direct or indirect interest relationship with the company.

If the company and its group companies and organizations, and other companies and its group companies and organizations, mutually nominate the other party's directors, supervisors or managers as independent director candidates, the company shall disclose it when accepting the nomination of independent director candidates. and explain the suitability of the independent director candidate. If elected as an independent director, his or her election rights should be disclosed.

The scope of application of the group enterprises and organizations referred to in the preceding paragraph extends to the company's subsidiaries, consortiums that have accumulated more than 50% of direct or indirect donation funds, and other institutions or legal persons with substantial control capabilities.

Independent directors and non-independent directors may not change their identities during their term of office.

Matters such as the professional qualifications of independent directors, shareholding and part-time restrictions, determination of independence, nomination methods and other matters to be followed shall be governed by the

Securities and Exchange Act, the regulations on the establishment of independent directors of publicly listed companies and matters to be followed, and the stock exchange regulations. Or handle it according to the regulations of the over-the-counter trading center.

Article 25 (Matters that should be submitted to the board of directors for approval)

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

1. Formulate or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Law.
2. To stipulate or amend the provisions of Article 36-1 of the Securities and Exchange Law to acquire or dispose of assets and engage in derivative products. Procedures for handling major financial business activities such as transactions, lending funds to others, endorsing or providing guarantees for others.
3. Matters involving the directors' or supervisors' own 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 certified accountants.
8. Appointment and removal of finance, accounting or internal audit supervisors.
9. Other major matters specified by the competent authority.

Article 26 (Listed OTC companies should clearly define the scope of responsibilities of independent directors)

The company should clearly define the scope of responsibilities of independent directors and assign relevant human and material resources to exercise their powers. The company or other members of the board of directors shall not hinder, refuse or circumvent independent directors from performing their duties. The company should clearly specify the remuneration of directors in accordance with relevant laws and regulations. The remuneration of directors should fully reflect personal performance and the company's long-term operating performance, and should comprehensively consider the company's operating risks. Independent directors may have discretion to set reasonable remuneration that is different from that of general directors.

Section 3 Functional Committee

Article 27 (Establishment of functional committees)

In order to improve the supervision function and strengthen the management

function, the company's board of directors may consider the company's size, business nature, and number of board members, and set up audit, salary and remuneration, nomination, risk management or other functional committees, and may be based on corporate social responsibility and sustainability. The business philosophy, environmental protection, corporate social responsibility or other committees should be set up and clearly stated in the articles of association.

The functional committee shall be responsible to the Board of Directors and submit proposed proposals to the Board of Directors for resolution. This does not apply, however, if the audit committee exercises supervisory powers in accordance with Article 14-4, Paragraph 4 of the Securities and Exchange Act. Functional committees should formulate organizational rules and regulations, which shall be adopted by resolution of the board of directors. The contents of the organizational regulations should include the number of committee members, terms of office, matters concerning their powers, rules of procedure, and the resources that the company should provide when exercising their powers.

Article 28 (Listed OTC companies should choose to set up an audit committee or a supervisor)

The company should set up an audit committee.

The audit committee shall be composed of all independent directors, the number of which shall be no less than three, one of whom shall be the convener, and at least one shall have accounting or financial expertise.

The exercise of powers of the audit committee and its independent director members and related matters shall be handled in accordance with the Securities and Exchange Act, the regulations on the exercise of powers of the audit committee of publicly listed companies, and the regulations of the stock exchange or OTC trading center.

Article 28-1 (Listed OTC companies should set up a salary and remuneration committee)

The company should set up a salary and remuneration committee, and more than half of the members should be independent directors; the professional qualifications of its members, the exercise of powers, the formulation of organizational regulations and related matters should be in accordance with the "Salary and Remuneration Committee of Companies whose stocks are listed or traded on securities dealers' business premises". "Regulations on the Establishment and Execution of Functions and Powers".

Article 28-2 (Listed OTC companies should set up a nomination committee)

The company should set up a nomination committee and formulate organizational rules. More than half of the members should be independent directors, and the independent director should serve as the chairman.

Article 28-3 (Reporting System)

The company should set up and announce channels for reporting internal and external personnel, and establish a whistleblower protection system; its handling unit should be independent, encrypt and protect files provided by whistleblowers, appropriately restrict access rights, and formulate internal operations procedures and incorporated into the internal control system.

Article 29 (Strengthening and improving the quality of financial reporting)

In order to improve the quality of financial reports, the company should set up an agent for the accounting supervisor.

The agents of the accounting supervisor in the preceding paragraph shall continue to take advanced courses every year as compared to the accounting supervisor in order to strengthen the professional abilities of the accounting supervisor's agents.

Accounting personnel related to the preparation of financial reports should also take more than six hours of professional-related courses every year. They can participate in the company's internal education and training or professional courses organized by accounting supervisor training institutions.

The company should select professional, responsible and independent certified accountants to conduct regular audits of the company's financial status and internal controls. The company should truly review and improve the abnormalities or deficiencies discovered and disclosed by the accountants in a timely manner during the audit process, as well as the specific suggestions for improvement or fraud prevention, and should establish communication channels between independent directors, supervisors or audit committees and the certified accountants or mechanism, and formulate internal operating procedures and incorporate them into the internal control system.

The company should refer to the Audit Quality Indicators (AQIs) regularly (at least once a year) to evaluate the independence and competency of the appointed accountants. If the company has not changed its accountant for seven consecutive years or if the accountant has been punished or its independence has been damaged, it shall evaluate whether it is necessary to change the accountant and report the evaluation results to the board of directors.

Article 30 (Providing appropriate legal services to the company)

The company should appoint professional and qualified lawyers to provide the company with appropriate legal consulting services, or to assist the board of

directors, supervisors and management to improve their legal literacy, to prevent the company and related personnel from violating the law, and to promote corporate governance operations within the relevant legal framework and statutory regulations. operate under the program.

If directors, supervisors or management are involved in litigation or have disputes with shareholders when performing business in accordance with the law, the company should appoint a lawyer to assist according to the situation. The audit committee or its independent director members may, on behalf of the company, appoint lawyers, accountants or other professionals to conduct necessary inspections or provide consultation on matters related to the exercise of their powers, and the costs shall be borne by the company.

Article 32 (Directors should maintain a high degree of self-discipline)

Directors should exercise a high degree of self-discipline. If they or the legal person they represent have an interest in the resolutions proposed by the board of directors, they should explain the important content of their interests at the current board meeting. If there is a risk of harming the interests of the company, they should not participate in the discussion. and voting, and shall abstain from discussions and voting, and shall not act on behalf of other directors to exercise their voting rights.

Matters in which directors voluntarily withdraw should be clearly stated in the rules of procedure of the board of directors.

Article 33 (Independent Directors and Board of Directors)

The company's independent directors must attend in person on matters that should be brought to the board of directors under Article 14-3 of the Securities and Exchange Act, and may not appoint non-independent directors as their representatives. If an independent director has objections or reservations, they should be stated in the minutes of the board of directors meeting; if an independent director is unable to attend the board of directors in person to express objections or reservations, unless there are legitimate reasons, he should issue a written opinion in advance and record it in the minutes of the board of directors meeting. .

If any of the following matters are resolved by the board of directors, in addition to being recorded in the minutes, an announcement must be made at the Public Information Observation Station two hours before the start of trading on the business day following the date of the board of directors:

1. The independent directors have objections or reservations and have records or written statements.
2. For companies with an audit committee, matters that have not been approved

by the audit committee must be approved by more than two-thirds of all directors.

Agree.

When the board of directors is in progress, depending on the content of the motion, it may notify non-director managers from relevant departments to attend the meeting, report on the company's current business profile and answer questions raised by the directors. When necessary, accountants, lawyers or other professionals may also be invited to attend the meeting to help the directors understand the current situation of the company and make appropriate resolutions, but they should leave the meeting during discussions and voting.

Article 34 (Minutes of the Board of Directors)

The deliberation members of the company's board of directors should accurately record meeting reports and summary of each proposal, resolution methods and results in accordance with relevant regulations.

The minutes of board of directors meetings must be signed or stamped by the chairman of the meeting and the record-keeper, and distributed to all directors and supervisors within 20 days after the meeting. The board of directors' sign-in book is a part of the minutes and should be included in the company's important files. During the company's existence Store properly forever.

The production, distribution and preservation of minutes can be done electronically.

The company should record or videotape the entire board of directors meeting process and keep it for at least five years. The storage should be done electronically.

Before the retention period in the preceding paragraph expires, if a lawsuit occurs regarding relevant resolutions of the board of directors, the relevant audio or video evidence shall continue to be preserved, and the provisions of the preceding paragraph shall not apply.

If the board of directors is held via video conference, the audio and video recordings of the meeting shall be part of the minutes and shall be kept permanently.

If a resolution of the board of directors violates laws, articles of association or shareholders' meeting resolutions, causing damage to the company, the directors who have expressed dissent are exempt from liability for compensation if they have records or written statements to prove it.

Article 35 (Matters that should be brought to the board of directors for discussion)

The company shall bring the following matters to the board of directors for

discussion:

1. The company's operating plan.
2. Annual financial report and semi-annual financial report. However, the semi-annual financial report does not need to be audited by accountants according to legal provisions.

Those who have approved visas are not subject to this restriction.

3. Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Law, and the internal control system is effective Assessment of sex.

4. Establish or amend the procedures for handling major financial business activities such as acquiring or disposing of assets, engaging in derivatives transactions, lending funds to others, endorsing or providing guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.

5. Raising, issuing or privately placing securities of an equity nature.

6. Performance appraisal and remuneration standards for managers.

7. Directors' remuneration structure and system.

8. Appointment and removal of finance, accounting or internal audit supervisors.

9. Donations to related parties or major donations to non-related parties.

However, for emergency relief due to major natural disasters,

Donations of a charitable nature may be ratified by the next board of directors.

10. In accordance with Article 14-3 of the Securities and Exchange Act, other matters that must be resolved by the shareholders' meeting or proposed to the board of directors in accordance with laws or articles of association.

Resolution matters or major matters specified by the competent authority.

Except for matters that should be brought to the board of directors for discussion in the preceding paragraph, during the recess of the board of directors, the board of directors shall make decisions in accordance with laws or the company's articles of association.

According to the regulations, for those who are authorized to exercise the powers of the board of directors, the level, content or matters of authorization should be specific and clear, and general authorization should not be allowed.

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Article 36 (The matters resolved by the board of directors are clearly handed over to the appropriate executive unit or personnel)

The company should clearly hand over the matters resolved by the board of directors to the appropriate execution unit or personnel, require them to be implemented according to the planned schedule and goals, and include them in tracking management to accurately assess their implementation.

The board of directors should fully understand the implementation progress and report it at the next meeting so that the board of directors' business decisions can be implemented.

Section 5 Directors' Duties and Responsibilities of Loyal Care

Article 37 (Members of the Board of Directors shall faithfully perform their duties and fulfill their duties of care as good managers)

Board members should faithfully perform their duties and fulfill their duty of care as good managers, and exercise their powers with a high degree of self-discipline and prudence. Regarding the execution of the company's business, except for matters that should be resolved by the shareholders' meeting in accordance with the law or the company's articles of association, they should ensure that According to the resolution of the board of directors.

The company should establish methods and procedures for the performance evaluation of the board of directors. In addition to conducting self- or peer evaluations of the board of directors and individual directors on a regular basis every year, the company may also appoint external professional organizations or conduct performance evaluations in other appropriate ways; the content of the evaluation of the board of directors' performance The following aspects should be included, and appropriate evaluation indicators should be developed taking into account the company's needs:

1. Degree of participation in company operations.
2. Improve the decision-making quality of the board of directors.
3. Board composition and structure.
4. Selection and continuing education of directors.
5. Internal control.

The evaluation of the performance of board members (self or peers) should include the following aspects and be appropriately adjusted taking into account the needs of the company:

1. Mastery of company goals and tasks.
2. Cognition of directors' responsibilities.
3. Degree of participation in company operations.
4. Internal relationship management and communication.
5. Professional and continuing education of directors.
6. Internal control.

The company should conduct performance evaluation of functional committees. The evaluation content should include the following aspects and be appropriately adjusted based on the company's needs:

1. Degree of participation in company operations.

2. Cognition of functional committee responsibilities.
3. Improve the decision-making quality of functional committees.
4. Composition and selection of members of functional committees.
5. Internal control.

The company should report the results of the performance evaluation to the board of directors and use them as a reference for individual directors' remuneration and nomination for renewal.

Section 5 Directors' Duties and Responsibilities of Loyal Care

Article 37 (Members of the Board of Directors shall faithfully perform their duties and fulfill their duties of care as good managers)

Board members should faithfully perform their duties and fulfill their duty of care as good managers, and exercise their powers with a high degree of self-discipline and prudence. Regarding the execution of the company's business, except for matters that should be resolved by the shareholders' meeting in accordance with the law or the company's articles of association, they should ensure that

According to the resolution of the board of directors.

The company should establish methods and procedures for the performance evaluation of the board of directors. In addition to conducting self- or peer evaluations of the board of directors and individual directors on a regular basis every year, the company may also appoint external professional organizations or conduct performance evaluations in other appropriate ways; the content of the evaluation of the board of directors' performance The following aspects should be included, and appropriate evaluation indicators should be developed taking into account the company's needs:

1. Degree of participation in company operations.
2. Improve the decision-making quality of the board of directors.
3. Board composition and structure.
4. Selection and continuing education of directors.
5. Internal control.

The evaluation of the performance of board members (self or peers) should include the following aspects and be appropriately adjusted taking into account the needs of the company:

1. Mastery of company goals and tasks.
2. Cognition of directors' responsibilities.
3. Degree of participation in company operations.
4. Internal relationship management and communication.
5. Professional and continuing education of directors.
6. Internal control.

The company should conduct performance evaluation of functional committees. The evaluation content should include the following aspects and be appropriately adjusted based on the company's needs:

1. Degree of participation in company operations.
2. Cognition of functional committee responsibilities.
3. Improve the decision-making quality of functional committees.
4. Composition and selection of members of functional committees.
5. Internal control.

The company should report the results of the performance evaluation to the board of directors and use them as a reference for individual directors' remuneration and nomination for renewal.

Article 38 (Shareholders or independent directors request or supervisors notify the board of directors to stop their implementation of resolutions)

If a board resolution violates laws or the company's articles of association, and shareholders or independent directors who have continued to hold shares for more than one year request to notify the board of directors to stop the implementation of the resolution, the board members should handle it appropriately as soon as possible or stop the implementation of the relevant resolution.

When members of the board of directors discover that the company is in danger of being seriously damaged, they shall handle the matter in accordance with the provisions of the preceding paragraph and report immediately to the audit committee or an independent director member of the audit committee.

Article 39 (Directors' Liability Insurance)

The company should insure directors with liability insurance for their legal liability within the scope of their business execution during their term of office, in order to reduce and disperse the risk of directors causing significant damage to the company and shareholders due to errors or negligence.

After the company has purchased or renewed liability insurance for its directors, it should submit important information such as the insured amount, coverage and premium rate of its liability insurance to the latest board of directors report.

Article 40 (Board members attend refresher courses)

Board members are advised to continue to participate in financial, risk management, business, commerce, accounting, legal or corporate social responsibility training courses covering corporate governance topics held by institutions designated by the designated institutions when they are newly appointed or during their term of office. courses, and instruct employees at all levels to enhance their professional and legal knowledge.

Chapter 4 Powers of the Supervisor

Article 41 (Supervisors shall supervise the execution of the company's business and the due diligence of directors and managers)

Supervisors should supervise the execution of the company's business and the due diligence of directors and managers, and pay attention to the implementation of the company's internal control system in order to reduce the company's financial crisis and operating risks. When a director engages in trading, lending or other legal actions with the company for himself or others, the supervisor shall be the representative of the company. If an audit committee is set up, the independent director members of the audit committee shall be the representative of the company.

Chapter 5 Respecting the Rights and Interests of Stakeholders

Article 42 (Listed OTC companies should maintain communication with the company's stakeholders and safeguard their rights and interests)

The company should maintain open communication channels with banks and other creditors, employees, consumers, suppliers, communities or other stakeholders of the company, and respect and safeguard their due legitimate rights and interests, and should set up on the company website Stakeholder area.

When the legitimate rights and interests of interested parties are infringed, the company should handle it appropriately in accordance with the principle of good faith.

Article 43 (Sufficient information should be provided to banks and other creditors)

Sufficient information should be provided to banks and other creditors so that they can make judgments and make decisions on the company's operating and financial status. When its legitimate rights and interests are infringed, the company should respond positively and adopt a responsible attitude to allow creditors to have appropriate channels to obtain compensation.

Article 44 (Listed OTC companies should establish employee communication channels)

The company should establish employee communication channels, encourage employees to communicate directly with management, directors or supervisors, and appropriately reflect employees' opinions on the company's operating and financial conditions or major decisions involving employees' interests.

Article 45 (Social Responsibility of the Company)

While maintaining normal business development and maximizing shareholders'

interests, the company should pay attention to issues such as consumer rights, community environmental protection and public welfare, and pay attention to the company's social responsibilities.

Chapter 6 Improving Information Transparency

Section 1 Strengthening Information Disclosure

Article 46 (Information Disclosure and Online Reporting System)

Information disclosure is an important responsibility of listed companies.

Companies should faithfully perform their obligations in accordance with relevant laws and regulations of stock exchanges or OTC trading centers.

Listed OTC companies are advised to announce and file annual financial reports within two months after the end of the fiscal year, and announce and report first, second, and third quarter financial reports and operating conditions for each month in advance before the prescribed deadline.

The company should establish an online reporting operation system for public information, designate a dedicated person to be responsible for the collection and disclosure of company information, and establish a spokesperson system to ensure that information that may affect the decision-making of shareholders and interested parties can be disclosed promptly and appropriately.

Article 47 (Listed OTC companies should set up a spokesperson)

In order to improve the accuracy and timeliness of the disclosure of major information, the company should select people who have a comprehensive understanding of the company's finances and businesses or who can coordinate various departments to provide relevant information and who can independently speak on behalf of the company to serve as company spokespersons and acting spokespersons. .

The company should have more than one acting spokesperson, and any acting spokesperson should be able to speak independently as a spokesperson when the spokesperson is unable to perform his speaking duties. However, the order of acting should be confirmed to avoid confusion.

In order to implement the spokesperson system, listed companies should clearly establish unified speaking procedures and require management and employees to keep financial and business confidentiality and not to spread information without authorization.

When there is any change in the spokesperson or acting spokesperson, information disclosure should be made immediately.

Article 48 (Setting up a corporate governance website)

The company should take advantage of the convenience of the Internet to set up

a website to build information related to the company's financial business and corporate governance information for the benefit of shareholders and interested parties. It should also provide English versions of financial, corporate governance or other related information.

The website mentioned in the preceding paragraph should be maintained by a dedicated person, and the information listed should be accurate, accurate and updated in a timely manner to avoid the risk of misleading.

Article 49 (Methods for convening legal person briefing meetings)

When the company holds a legal person briefing, it shall be conducted in accordance with the regulations of the stock exchange or OTC trading center, and shall be saved in the form of audio or video recording. The financial and business information of the legal person's briefing shall be entered into the public information observatory in accordance with the regulations of the stock exchange or OTC trading center, and provided for inquiry through the company's website or other appropriate channels.

Section 2 Corporate Governance Information Disclosure

Article 50 (Disclosure of Corporate Governance Information)

The company's website should set up a special area to disclose the following corporate governance-related information and keep it updated:

1. Board of Directors: Such as the resumes of board members and their powers and responsibilities, board member diversity policy and implementation status.
2. Functional committees: such as the resumes and responsibilities of each functional committee member.
3. Corporate governance-related regulations: corporate governance-related regulations such as company articles of association, board meeting procedures, and organizational rules of functional committees.

Important information related to corporate governance: such as setting up corporate governance supervisor information, etc.

Chapter 7 Supplementary Provisions

Article 51 (Pay attention to domestic and foreign developments)

The company should always pay attention to the development of domestic and international corporate governance systems, and review and improve the corporate governance system established by the company accordingly to enhance the effectiveness of corporate governance.

Article 52

This Code was formulated on September 29, 2020.

The first revision was on May 11, 2022 (approved by the company's board of directors)

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