

Corporate Governance Best-Practice Principles

Chapter I General Principles

Article 1

To establish a sound corporate governance system and promote the healthy development of the securities market, the Company has formulated its own Corporate Governance Guidelines in accordance with the relevant provisions of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.” An effective corporate governance framework has been established for compliance purposes and is disclosed on the Market Observation Post System.

Article 2

The Company has established a corporate governance system that, in addition to complying with laws and regulations and the Articles of Association, shall be based on the following principles:

1. Protecting shareholders' rights and interests.
2. Strengthening the functions of the board of directors.
3. Fulfilling the functions of supervisors.
4. Respecting the rights and interests of stakeholders.
5. Raising the level of information transparency.

Article 3

The Company shall, in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies,” design and

effectively implement an internal control system based on the overall operational activities of the Company and its subsidiaries. The system shall be reviewed and adjusted from time to time in response to changes in the internal and external environment, to ensure the continued effectiveness of its design and implementation.

The Company shall faithfully perform self-assessments of its internal control system. In addition, its board of directors and management shall review the results of each department's self-assessments at least annually and the audit department's audit report on a quarterly basis. The audit committee or supervisors shall likewise pay attention to and oversee such inspection matters. The directors and supervisors shall have regular discussions with internal audit personnel regarding the review of the deficiencies of the internal control system. A record of the discussions shall be kept, and the discussions shall be followed up, improvements implemented, and a report submitted to the board of directors. The futures commission merchant is advised to establish channels and mechanisms of communication between its independent directors, audit committee or supervisors, and its chief internal auditor, and the convener of the audit committee or supervisors shall report the communications between members of the audit committee or supervisors and the chief internal auditor at the shareholders' meeting.

The management of the Company shall recognize the importance of the internal audit department and personnel, vest them with sufficient authority, and see that they faithfully inspect and assess any deficiencies in the internal control system and measure operating efficiency, to ensure the sustained effective

operation of the system, and to assist the board of directors and the management to faithfully perform their responsibilities, so as to bring about the sound implementation of the corporate governance system.

Audit personnel and the chief compliance officer at a futures commission merchant shall immediately prepare a report for submission to the competent authority, when their recommendations for improvements regarding significant deficiencies or noncompliance identified in internal controls are not accepted by the management and as a result the Company might incur a material loss.

It is advisable that any appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the Company be reported to the board of directors or be submitted by the chief auditor to the chairman of the board for approval.

Article 3-1

The Company is advised to have in place, according to its size, business conditions, and management needs, qualified corporate governance personnel in an appropriate number and may appoint one chief corporate governance officer as the most senior executive for corporate governance affairs. The officer shall be a qualified, practice-eligible lawyer or CPA or have served in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in a unit handling legal affairs, legal compliance, internal auditing, financial affairs, stock affairs (shareholder services), or corporate governance affairs.

The corporate governance affairs referred to in the preceding paragraph shall include, at a minimum, the following:

1. Handling of matters relating to board of directors meetings and shareholders' meetings in compliance with law.
2. Preparation of minutes of board of directors meetings and shareholders' meetings.
3. Assistance in onboarding and continuing education of the directors and supervisors.
4. Provision of information required for performance of duties by the directors and supervisors.
5. Assistance to the directors and supervisors in complying with laws and regulations.
6. To report to the Board of Directors the results of the review regarding whether independent directors meet the qualifications prescribed by relevant laws and regulations at the time of nomination, election, and throughout their term of office.
7. To handle matters related to changes in the composition of the Board of Directors
8. Other matters specified by the articles of incorporation or by contract.

Chapter II Protecting Shareholders' Rights and Interests

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4

In corporate governance, the Company shall protect the rights and interests of shareholders and shall treat all shareholders fairly.

The Company shall establish a system of corporate governance that ensures shareholders' rights such as being fully informed, participating in, and making decisions over important matters of the company.

Article 5

The company shall convene shareholders' meetings in accordance with the company Act and relevant laws and regulations and formulate comprehensive rules of procedure for such meetings. The rules of procedure shall be strictly implemented for matters requiring a resolution of the shareholders' meeting.

Resolutions adopted by a shareholders' meeting of The Company shall comply with laws and regulations and the company's articles of incorporation.

Article 6

The board of directors of the company shall properly arrange the agenda items and procedures for shareholders' meetings and formulate the principles and procedures for shareholder nominations of directors and supervisors and submissions of shareholder proposals. The board of directors shall also properly handle the proposals duly submitted by shareholders. Arrangements shall be made to hold shareholders' meetings at a convenient location, with sufficient time allowed and sufficient numbers of suitable personnel assigned to handle attendance registrations. No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Shareholders shall be granted a reasonable amount of time for deliberation of each agenda item and afforded an appropriate opportunity for making statements.

Shareholders' meetings convened by the Board of Directors shall preferably be chaired by the Chairperson of the Board. A majority of the directors (including at least one independent director), the convener of the Audit Committee, and at least one representative from other functional committees shall preferably attend in person. The attendance of such members shall be recorded in the minutes of the shareholders' meeting.

Article 7

The company shall encourage active shareholder participation in corporate governance and cause shareholders' meetings to be convened in a lawful, effective, and safe manner. A futures commission merchant shall seek all ways and means, including full exploitation of technologies for information disclosure and voting, to enhance the attendance rate of shareholders at shareholders' meetings and to ensure that shareholders may duly exercise their shareholder's rights at shareholders' meetings in accordance with law.

When using electronic voting for shareholders' meetings, the company is advised to avoid the raising of extraordinary motions or motions to amend the content of existing proposals.

The company is advised to arrange for shareholders to vote by poll on each individual proposal at the shareholders' meeting.

The Company shall arrange for shareholders to vote on each proposal at the shareholders' meeting on a case-by-case basis. The results of the votes, including approvals, disapprovals, and abstentions, shall be entered into the Market Observation Post System (MOPS) on the same day the shareholders'

meeting is held.

Article 8

The company shall keep minutes of shareholders' meetings in accordance with the Company Act and applicable laws and regulations, in which it shall record the year, month, and date of the meeting, its location, the meeting chair's name, and the method of resolution. The minutes shall also record a summary of the deliberations and the results. For elections of directors and supervisors, the minutes shall record the taking of a vote and the number of share votes cast for the directors and supervisors.

The minutes of the shareholders' meeting shall be properly and perpetually kept by the company during its existence; where the company has a website, full disclosure of minutes on the website is advisable.

Article 9

The chair of the shareholders' meeting shall be fully familiar with the rules of procedure adopted by the company. The chair shall ensure the proper progress of the meetings pursuant to the agenda, and shall not adjourn meetings at will.

In order to protect the rights and interests of the majority of shareholders, should the chair adjourn the meeting in violation of procedural rules, other members of the board of directors are advised to promptly assist attending shareholders in electing a new chair in accordance with statutory procedures, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the meeting, and continue the meeting.

Article 10

The company shall respect the shareholders' right to know and faithfully comply with applicable rules relating to public disclosure of information on the company's financial conditions, operations, insider shareholdings, and corporate governance status. If it has established an official website, it is advised to provide relevant information to shareholders in a regular and timely manner.

To treat all shareholders equally, the company may concurrently disclose the information under the preceding paragraph in English.

To protect its shareholders' rights and interests and ensure their equal treatment, a futures commission merchant shall adopt internal rules prohibiting company insiders from trading securities using information not disclosed to the market.

Article 10-1

It is advisable that the company report at a general shareholders' meeting the remuneration received by directors, including the remuneration policy, individual remuneration packages, amounts, and association with the outcomes of performance reviews.

Article 11

Shareholders shall be entitled to share in corporate earnings. For the protection of shareholders' investment rights and interests, the shareholders' meeting may examine the statements produced by the board of directors and the audit

committee's or supervisors' audit reports in accordance with the provisions of Article 184 of the Company Act, and to resolve on distribution of earnings or compensation for budget deficit. The shareholders' meeting may select inspectors to carry out the examinations referred to in the preceding paragraph.

Shareholders may apply to the court for appointment of an inspector to inspect the business operations, financial accounts, property, particular items, and documents and records of particular transactions of the company in accordance with Article 245 of the Company Act.

The board of directors, audit committee or supervisors, and managerial officers of the company shall cooperate fully with respect to the inspector's inspection operations as in the preceding paragraphs, and shall not refuse, obstruct, or evade such inspections.

Article 12

The company entering into a major financial transaction, such as acquisition or disposal of assets, trading of financial derivatives, lending of funds, or provision of endorsements or guarantees, shall do so in accordance with the provisions of applicable laws and regulations, adopt related operating procedures, and report the same to the shareholders' meeting for its approval, so as to protect the rights and interests of shareholders.

If a company is involved in a merger, acquisition, or public tender offer, then in addition to proceeding in accordance with relevant laws and regulations, the futures commission merchant shall review the fairness and reasonableness of the plan and the transaction of the merger, acquisition, or public tender offer,

and shall give due attention to information disclosure and to the subsequent soundness of the company's financial structure.

In the event that the management or major shareholders of a listed or OTC company participate in a merger or acquisition transaction, the Audit Committee shall assess whether its members comply with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and confirm that they are not related parties to the counterparty of the transaction or have any conflict of interest that may impair their independence. The design and implementation of relevant procedures, as well as the adequacy of information disclosure in accordance with applicable laws and regulations, shall be reviewed by an independent legal counsel who shall issue a legal opinion.

The legal counsel referred to in the preceding paragraph shall meet the qualifications set forth in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and shall not be a related party to the counterparty of the transaction or have any conflict of interest that may impair their independence.

Personnel of the Company involved in handling the matters shall pay due attention to conflicts of interest and recusal requirements.

Article 13

In order to protect the rights and interests of shareholders, it is advisable for a company to have staff that will be exclusively responsible for handling shareholder suggestions, questions, or disputes.

When a resolution of a shareholders' meeting or board of directors meeting violates a law or regulation or the articles of incorporation, or where a director, supervisor, or managerial officer violates a law or regulation or the articles of incorporation in the course of his or her work, resulting in injury to rights and interests of shareholders, the company shall handle in an objective and proper manner any litigation duly instituted by a shareholder.

It is advisable for a company to adopt internal procedures for appropriate handling of matters referred to in the preceding two paragraphs, and keep relevant written records for future reference and incorporate the procedures into its internal control system for management purposes.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13-1

The company's board of directors is responsible for establishing a mechanism for interaction with shareholders to enhance their mutual understanding of the development of the company's objectives.

Article 13-2

In addition to communicating with shareholders through shareholders' meetings and encouraging shareholders to participate in such meetings, the board of directors of a company together with the managerial officers and independent directors shall engage with shareholders in an efficient manner to ascertain shareholders' views and concerns, and expand company policies explicitly, in order to gain shareholders' support.

Article 13-3

The Company shall formulate and disclose its operational strategies and business plans, clearly outlining specific measures to enhance corporate value. Such strategies and plans shall preferably be submitted to the Board of Directors for review and actively communicated with shareholders.

Section 3 Corporate Governance Relationships Between the Company and Its
Affiliated Enterprises

Article 14

The Company shall clearly define the allocation of objectives, rights, and responsibilities for management of personnel, assets, and finances with its affiliated enterprises, and scrupulously implement risk assessments and establish appropriate firewalls

Article 15

Except where otherwise provided by law or regulation, a managerial officer of a Company shall not concurrently serve as a manager of an affiliated enterprise thereof.

A director taking any action on behalf of himself or another person that falls within the scope of the company's business shall explain to the shareholders' meeting the material terms of the act and secure its approval.

Article 16

The Company shall establish sound financial, operational, and account management objectives and systems in accordance with applicable laws and

regulations; it shall further carry out combined risk assessments with its affiliated enterprises in regard to its major correspondent banks, clients, and suppliers and implement necessary control mechanisms for mitigation of credit risk

Article 17

The company entering into a business transaction with any affiliated enterprise thereof shall adopt written standards based on the principle of reasonableness and fair dealing to govern the financial and operational relationships entailed therein. Any contractual agreements shall include clear stipulation of the terms and conditions governing prices and payment methods and shall preclude any transactional irregularities

The written procedures referred to in the preceding paragraph shall include management protocols for transactions such as purchases and sales of goods, acquisition or disposal of assets, lending of funds, and endorsements or guarantees. Any material transactions shall be submitted for approval by the Board of Directors, reported to, or approved by the shareholders' meeting, as required.

Article 18

Any shareholder with a controlling interest in a company shall abide by the following provisions:

1. It shall bear the obligation of acting in good faith toward 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 representatives shall abide by the relevant provisions adopted by the futures commission merchant with regard to the exercise of their rights and their participation in resolutions; they shall exercise their voting rights at shareholders' meetings based on the principles of good faith and greatest benefit to all shareholders and faithfully fulfill their fiduciary duty and duty of care.
3. It shall abide by applicable laws and regulations and the articles of incorporation in nominating directors and supervisors for the company and shall not exceed the scope of powers and functions granted by the shareholders' meeting or the board of directors.
4. It shall not improperly intervene in corporate decisions or obstruct corporate management activities.
5. The company shall not restrict or hinder the production and operation of the Company through unfair competition such as monopolizing procurement or closing off sales channels.
6. The representative that is designated when a corporate shareholder has been elected as a director or supervisor shall meet the company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

Article 19

The company shall retain in its possession at all times a roster of major shareholders who own a relatively high percentage of shares and who have an actual control over the company, and of the ultimate controllers of those major

shareholders.

The company shall make regular disclosures of any pledges, increases, or decreases in the company shares held by directors or other material matters on the part of directors with the potential to cause changes in ownership of shares, so that other shareholders can exercise supervision.

A major shareholder as mentioned in paragraph 1 shall mean a shareholder who owns 5 percent or more of the equity shares or whose equity shareholding ratio is among the top 10 shareholders, provided that the company may set a lower shareholding ratio threshold according to the shareholding ratio that could actually control the company

Chapter III Enhancing the Functions of the Board of Directors

Section 1 Structure of the Board of Directors

Article 20

The company's board of directors shall direct company strategies, supervise the management, and be responsible to the company and shareholders. Procedures and arrangements under its system of corporate governance shall be directed to ensuring that the board of directors carries out its functions in compliance with laws and regulations, the articles of incorporation, and the resolutions of the shareholders' meetings.

In structuring its board of directors, the company shall determine the appropriate number of directors, which shall be at least five, with reference to the scale of corporate development and operations and the shareholdings of the major shareholders, while taking into account practical operational needs.

If it establishes independent directors, it shall consider the reasonable professional composition of the board and the objective requirements for the independent exercise of their duties.

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 (it is advisable that the number of female board members reach one-third), age, nationality, and culture.
2. Professional knowledge and skills: a professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Board members shall have the knowledge, skill, and experience necessary to perform their duties. To realize the ideal of corporate governance, the board of directors as a whole shall possess the following abilities:

1. Ability to make judgments about operations.
2. Ability to perform accounting and financial analysis.
3. Business management ability.
4. Crisis management ability.
5. Industry knowledge.

6. Knowledge of international markets.
7. Leadership ability.
8. Ability to make policy decisions.

Article 21

The company shall, based on the principles of protecting shareholder rights and interests and treating shareholders fairly, adopt fair, just, and open procedures for the selection of directors, encourage shareholder participation, and shall adopt a cumulative voting system in accordance with the Company Act to sufficiently reflect shareholders' opinions.

Except where the competent authority has granted approval, the spouse, or persons related within the second degree of kinship may not exist among more than half of a company's directors.

When the number of directors falls below five due to the departure from office of a director for any reason, the company shall hold a by-election for directors at the next following shareholders' meeting. When the shortfall of directors reaches one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders' meeting within 60 days of the occurrence of that fact to hold a by-election for directors.

The combined shareholding of the entire board of directors of the company shall comply with laws and regulations. The restriction on share transfer, and the creation or cancellation and variation of pledges of shares shall be handled in compliance with relevant provisions, and all information shall be sufficiently disclosed.

Article 22

It is advisable for a company, in accordance with the Company Act, to specify in its articles of incorporation that it shall adopt a candidate nomination system for the election of directors, and carefully evaluate and review the qualifications of nominated candidates, whether any of the circumstances set out in Article 30 of the Company Act or Article 4 of the Standards Governing the Establishment of Futures Commission Merchants exist, and other relevant matters, in order to assure selection of a suitable candidate. It furthermore shall comply with Article 192-1 of the Company Act.

Article 23

Clear distinctions shall be drawn between the duties and responsibilities of the chairman of the board and the general manager of a company

The chairman of the board may not concurrently serve as general manager.

The company with a functional committee shall clearly define the responsibilities and duties of the committee.

Section 2 The Independent Director System

Article 24

The Company shall appoint no fewer than three independent directors, and the number of independent directors shall not be less than one-third of the total number of board seats, in accordance with the provisions of its Articles of

Incorporation. The consecutive term of service for independent directors shall preferably not exceed three terms.

Independent directors shall possess professional expertise, and their shareholding shall be subject to restrictions. In addition to complying with relevant laws and regulations, independent directors shall preferably not concurrently serve as directors (including independent directors) or supervisors of more than five listed or OTC companies. They shall maintain independence within the scope of their duties and shall not have any direct or indirect interest in the Company.

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

The term "group enterprises or organizations" as referred to in the preceding paragraph shall include the Company's subsidiaries, foundations to which the Company has directly or indirectly contributed more than 50% of total funds, and other institutions or legal entities over which the Company has substantial control.

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

Matters concerning the professional qualifications, shareholding and concurrent position restrictions, independence criteria, nomination procedures, and other compliance requirements for independent directors shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the rules of the Taiwan Stock Exchange or Taipei Exchange.

Article 25

The Company shall submit the following matters to the board of directors for approval by resolution as provided in the Futures Trading Act; if an independent director objects to or expresses reservations about any matter, it shall be recorded in the board meeting minutes.

1. Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act of any procedure for handling financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
3. A matter bearing on the personal interest of a director.
4. A material asset or derivatives transaction.

5. A material monetary loan, endorsement, or provision of a guarantee.
6. The offering, issuance, or private placement of any equity-type securities.
7. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
8. The appointment or discharge of a financial, accounting, risk management, compliance, or internal audit officer.
9. Any other material matter so required by the competent authority.

Article 26

The Company shall clearly define the scope of responsibilities of independent directors and provide the necessary human and material resources to enable them to exercise their powers. Neither the Company nor any other members of the Board of Directors shall obstruct, refuse, or circumvent the execution of duties by independent directors.

The Company shall determine directors' remuneration in accordance with applicable laws and regulations. Such remuneration shall appropriately reflect individual performance, the Company's long-term operational results, and overall business risks. Reasonable remuneration differing from that of other directors may be prescribed for independent directors.

Section 3 Other functional committees

Article 27

For the purpose of developing monitoring functions and strengthening

management mechanisms, the board of directors of a **company**, in consideration of the company's scale, the nature of its business, and the number of its board members, may set up functional committees for auditing, remuneration, nomination, risk management or any other functions, and based on concepts of corporate social responsibility and sustainable operation, may set up environmental protection, corporate social responsibility, sustainability, or other committees or working panels, carry out periodic analysis and evaluation of the matters listed below, formulate countermeasures and present them to the board of directors, and expressly provide for them in the articles of incorporation.

The functional committees or working panels under the preceding paragraph shall be responsible to the board of directors and submit their proposals to the board for approval, provided that this rule shall not apply if the audit committee exercises the powers and duties of the supervisors pursuant to the Securities and Exchange Act, the Company Act and other laws and regulations.

The functional committees or working panels shall adopt an organizational charter to be approved by a resolution of the board of directors. The organizational charter shall include at least the number of members, their term of office and powers and duties, rules of procedure, and the resources that the company shall provide when they exercise their powers and duties.

Article 28

The Company shall establish an Audit Committee. The provisions of the Securities and Exchange Act, the Company Act, and other applicable laws and

regulations governing supervisors shall apply mutatis mutandis to the Audit Committee.

The Audit Committee shall be composed entirely of independent directors, with no fewer than three members. One member shall serve as the convener, and at least one member shall possess expertise in accounting or finance.

Matters listed under Article 25 of this Code, as well as the following items, shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for resolution:

1. Assessment of the effectiveness of the internal control system.
2. Annual financial reports signed or sealed by the Chairperson, managerial officers, and chief accounting officer, and the second quarter financial reports that are subject to CPA audit and attestation.

The exercise of powers and related matters of the Audit Committee and its independent director members shall be conducted in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules of the Taiwan Stock Exchange or Taipei Exchange.

Article 28-1

The Company shall establish a Compensation Committee, with a majority of its members preferably being independent directors. The professional qualifications of its members, the exercise of its powers, the formulation of its

organizational charter, and other related matters shall be handled in accordance with the Regulations Governing the Establishment and Exercise of Powers of Compensation Committees of Companies Listed on the Stock Exchange or Traded Over the Counter.

Article 28-2

The Company is advised to establish a nomination committee and adopt an organizational charter for the committee. It is advisable that a majority of the members of the committee be independent directors and an independent director be its chair.

Article 28-3

The Company shall establish and publicly disclose internal and external whistleblowing channels and implement a whistleblower protection mechanism. The unit responsible for handling whistleblower reports shall possess independence, encrypt the files provided by whistleblowers, appropriately restrict access rights, and formulate internal procedures to be incorporated into the Company's internal control system.

Article 29

To enhance the quality of financial reporting, the Company shall appoint a deputy for the chief accounting officer. The appointed deputy shall, like the chief accounting officer, undertake annual continuing education to strengthen professional competence.

Accounting personnel involved in the preparation of financial reports shall also complete no less than six hours of professional training courses each year. Such training may be conducted through internal corporate education programs or professional courses offered by institutions designated for accounting officer development.

The Company shall select a professional, responsible, and independent CPA who shall perform regular audits of the company's financial condition and internal control measures. When the auditor makes timely discovery of any irregularities or deficiencies during the course of the review and provides concrete measures for their improvement or for prevention, the company shall review the matter and effect improvement. It is advisable for the company to establish channels and mechanisms of communication between the independent directors, the supervisors or audit committee, and the attesting CPA, and adopt internal operational procedures for that purpose incorporate them into the company's internal control system for management purposes.

The Company shall evaluate the independence and suitability of the CPA engaged by it regularly and no less frequently than once annually. In the event that the futures commission merchant 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 futures commission merchant shall assess whether there is a need to replace the CPA, and shall submit to the board the conclusion of such assessment.

Article 30

The Company is advised to engage professional and competent legal counsel

to provide adequate legal consultation services to the company, or to assist the board of directors, supervisors, and management in improving their understanding of the law, in order to prevent any infraction of laws or regulations by the company or its staff and to ensure that corporate governance will operate subject to the relevant legal framework and procedures.

In the event that directors, supervisors, or management are involved in litigation as a result of performing their duties under the law or disputes with shareholders, the company shall retain legal counsel to provide assistance as required by circumstances.

The audit committee or any independent director member thereof may, on behalf and at the cost of the company, engage an attorney, certified public accountant, or other professional to conduct a necessary audit or provide advice with respect to any matter related to the exercise of the committee's powers.

Section 4 Rules for the Proceedings of Board Meetings and Decision

Making Procedures

Article 31

The board of directors of a company shall meet at least once every quarter, or convene at any time in case of emergency. Its articles of incorporation shall stipulate that, to convene a board meeting, a meeting notice which specifies the purposes of meeting shall be sent to each director and supervisor 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 rules of procedure for board meetings. The main agenda items for board meetings, operational procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 32

A company director shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter.

Matters requiring a director to voluntarily abstain from voting shall be clearly set forth in the rules of procedure for board meetings.

Article 33

A company's independent directors, with respect to any matter required by Article 14-3 of the Securities and Exchange Act to be submitted to a meeting of

the board of directors, shall attend the meeting in person, and may not give a proxy to a non-independent director. If an independent director objects to or expresses reservations about the matter, it shall be recorded in the board meeting minutes. An independent director intending to express objection or reservations but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

Any of the following matters in relation to a resolution passed at a meeting of the board of directors shall be stated in the meeting minutes, and within 2 days from the date of the meeting be published on the information reporting website designated by the competent authority:

1. Any matter about which an independent director expresses an objection or reservation of which there is a record or written statement.
2. If the futures commission merchant has established an audit committee, any matter adopted with the approval of two-thirds or more of all directors without having been passed by the audit committee.

During the proceedings 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 futures commission merchant 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, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34

Meeting personnel of the Company's Board of Directors shall accurately and thoroughly record meeting reports, summaries of discussions on each proposal, the methods of resolution, and the outcomes, in accordance with applicable regulations.

The minutes of a board of directors meeting shall bear the signature or seal of both the presiding chair and the minutes taker of the meeting. A copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The attendance book forms a part of the minutes and shall be well preserved as important company records during the existence of the company.

The production, distribution, and preservation of the meeting minutes may be done in electronic form.

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 period for keeping documentation under the preceding paragraph any litigation arises with respect to a resolution of a board of directors meeting, the relevant audio or video documentation shall continue to be kept, in which case the preceding paragraph does not apply. If a board of directors meeting is held via telecommunications, the audio or video documentation of the meeting forms a part of the meeting minutes and shall be retained indefinitely.

Where a resolution of the board of directors violates laws or regulations,

the articles of incorporation, or shareholders' meeting resolutions, with resulting injury to the company, dissenting directors whose dissent is documented by the minutes or by written declarations will not be liable for damages.

Article 35

A company shall submit the following items for discussion by the board of directors:

1. Corporate business plan.
2. Annual financial reports and semi-annual financial reports. However, semi-annual financial reports that are not required by law or regulation to be audited and attested by a certified public accountant shall be exempt from this requirement.
3. Establishment or amendment of the internal control system, and assessment of the effectiveness of the internal control system, in accordance with Article 14-1 of the Securities and Exchange Act.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act of any procedure for handling financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. Performance evaluation and remuneration standards of managerial officers and associated persons.
7. Remuneration structure and system of the directors.

8. The appointment or discharge of a financial, accounting, risk management, compliance, or internal audit officer.
9. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
10. 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 submitted to a meeting of the board of directors, or any material matter as may be prescribed by the competent authority.

With the exception of the items to be submitted for discussion by the board of directors under the preceding paragraph, with respect to the delegation by the board of directors, in accordance with laws and regulations or the company's articles of incorporation, of powers of the board exercisable during periods when it is not in session, the levels of such delegation and the content and matters covered by it shall be specific; general authorization is not permitted.

Article 36

A company shall entrust the appropriate corporate departments and personnel to handle matters pursuant to board of directors' resolutions, requiring that their execution be consistent with the planned schedule and objectives, and shall follow up on these matters and faithfully evaluate their implementation.

The board of directors shall adequately direct the implementation of these matters and make reports at subsequent meetings to ensure realization of the board's management decisions.

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

Article 37

Members of the board of directors shall conduct corporate affairs faithfully and act with the care of a good administrator, exercising their powers with a high degree of prudence and self-discipline. They shall faithfully adhere to the resolutions of the board in conducting corporate affairs, except for those matters reserved for resolutions of shareholders' meetings by law or the articles of incorporation

The Company shall conduct Board performance evaluations in accordance with the “Regulations Governing Board Performance Evaluation.” In addition to conducting annual self-assessments or peer evaluations of the Board and individual directors, the Company may also engage external professional institutions or adopt other appropriate methods to carry out performance evaluations.

The evaluation of Board performance shall cover the following aspects, with appropriate performance indicators established based on the Company's needs:

1. Degree of participation in the company's operations.

2. Improvement in the quality of decision making by the board of directors.
3. The composition and structure of the board of directors.
4. The election of the directors and their continuing professional education.
5. Internal controls.

The evaluation of individual directors (via self-assessment or peer review) shall include the following aspects, with adjustments made as appropriate based on the Company's needs:

1. Grasp of the company's goals and missions.
2. Understanding of director's duties.
3. Degree of participation in the company's operations.
4. Management of internal relationships and communication.
5. Professionalism and continuing professional education.
6. Internal controls.

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

1. Participation in the Company's operations
2. Awareness of committee responsibilities
3. Enhancement of decision-making quality by the committee
4. Composition of the committee and selection of its members
5. Internal control

The results of performance evaluations shall preferably be reported to the Board of Directors and used as a reference for determining individual directors' compensation and nomination for reappointment.

Article 37-1

The Company shall establish a succession plan for its management team. The Board of Directors shall periodically evaluate the development and implementation of such plan to ensure the sustainability of the Company's operations.

Article 37-2

The board of directors of a company is advised to evaluate and monitor the following aspects of the company's direction of operations and performance in connection with intellectual properties, to ensure the company develops an intellectual property management system in accordance with the Plan-Do-Check-Act (PDCA) management cycle:

1. Formulate intellectual property management policies, objectives and systems that are associated with the operational strategies.
2. Develop, implement and maintain, on the basis of scale and form, its management systems governing the procurement, protection, maintenance and utilization of intellectual properties.
3. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property management system.
4. Observe internally and externally the risks and opportunities that

intellectual property management may present and adopt corresponding measures.

5. Plan for and implement a continuous improvement mechanism to ensure the operation and effectiveness of the intellectual property management system meet the company's expectations.

Article 38

If a resolution of the board of directors violates a law, regulation, or the company's articles of incorporation, at the request of an independent director or of shareholders who have held shares continuously for a year, or upon notification from a supervisor to discontinue the implementation of the resolution, members of the board shall promptly take appropriate measures or discontinue the implementation of such a resolution.

Discovery by any member of the board of directors of a likelihood of material injury to the company shall be handled pursuant to the provisions of the preceding paragraph, and shall be immediately reported to the audit committee or the independent director members of the audit committee or the supervisors

Article 39

A company is advised to take out liability insurance for directors during their terms with respect to the liability they bear under the law for damages in relation to the scope of duties they perform, in order to reduce and spread the risk of material injury to the company or shareholders arising from any mistake or negligence on their part.

A company is advised to report the insured amount, coverage, premium rate,

and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40

Board members shall, upon appointment and throughout their tenure, continuously participate in training programs organized by institutions designated under the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies.” These programs shall cover topics related to corporate governance, including but not limited to finance, risk management, business operations, commerce, accounting, legal affairs, and corporate social responsibility. The Company shall also require employees at all levels to enhance their professional and legal knowledge.

Chapter IV Respecting the Rights and Interests of Stakeholders

Article 41

A company shall maintain open channels of communication with its correspondent banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the company, respect and safeguard their legal rights, and designate a stakeholders section on its website.

When a stakeholder's legal rights suffer injury, the company shall handle the matter in good faith and in an appropriate manner.

Article 42

A company shall provide sufficient information to correspondent banks and other creditors to facilitate their judgment and decision making process with respect to the company's operational and financial condition. Should any of their legal rights or interests be infringed, the company shall respond in a positive manner, giving creditors appropriate channels through which to obtain compensation.

Article 43

A company shall establish channels for communication with employees, encouraging them to communicate directly with management, directors, and supervisors so as to reflect employees' opinions about the management of the company and its financial condition or any policies with a material impact on employee welfare.

Article 44

While maintaining normal business development and maximizing the shareholders' interest, a company shall attend to issues such as the rights and interests of futures traders and the trading order in the futures market, community environmental protection and social welfare, and shall also have a serious regard for the social responsibility of the company.

Chapter V Enhancing Information Transparency

Section 1 Strengthening of Information Disclosure

Article 45

Disclosure of information is a fundamental responsibility of the Company. The Company shall faithfully fulfill its disclosure obligations in accordance with applicable laws, regulations, and the requirements of the Taiwan Stock Exchange or Taipei Exchange.

The Company shall, preferably within two months after the end of each fiscal year, announce and file its annual financial reports. In addition, the Company shall announce and file its first, second, and third quarter financial reports, as well as monthly operating results, in advance of the statutory deadlines.

The Company shall establish an online information disclosure system and designate responsible personnel to collect and disclose corporate information. A spokesperson system shall also be implemented to ensure that any information which may affect the decision-making of shareholders and stakeholders is disclosed in a timely and appropriate manner.

Article 46

In order to enhance the accuracy and timeliness of the information disclosed, a futures commission merchant shall appoint a spokesperson and acting spokesperson who understand thoroughly the company's financial and operating condition, or who are capable of coordinating with the various departments to gather relevant information, and who are able to independently represent the company in issuing statements.

The Company shall appoint one or more acting spokespersons, each of whom are capable of independently representing the company in making statements when the spokesperson cannot perform his or her duties, provided that their

order of authority as deputy shall be made clear to avoid any confusion.

In order to implement the spokesperson system, a futures commission merchant shall unify the process of making public statements and require management and employees to maintain the confidentiality of financial and operational secrets and prohibit them from disclosing such information at will.

When there is a change in the spokesperson or acting spokesperson, the information should be disclosed immediately.

Article 47

The companies are advised to take advantage of the convenience of the Internet and set up web sites for posting information relevant to the company's finances, operations, and corporate governance for the benefit of shareholders and stakeholders and are advised to provide English versions of information relating to financial, corporate governance, and other matters.

Special personnel shall be responsible for maintaining the website referred to in the preceding paragraph, and the information provided thereon shall be updated in a detailed, accurate, and prompt manner, to avoid the possibility of misleading information.

Article 48

The Company shall convene investor conferences in accordance with the regulations of the Taiwan Stock Exchange or Taipei Exchange, and shall retain audio or video recordings of such events. Financial and business information disclosed during investor conferences shall be uploaded to the Market

Observation Post System (MOPS) as required, and made available for public access through the Company's website or other appropriate channels.

Section 2 Disclosure of Corporate Governance Information

Article 49

The Company shall establish a dedicated section on its website to disclose the following corporate governance information and ensure it is continuously updated:

1. **Board of Directors:** Including the resumes and responsibilities of board members, as well as the Board diversity policy and its implementation status.
2. **Functional Committees:** Including the resumes and responsibilities of members of each functional committee.
3. **Corporate Governance Regulations:** Including the Articles of Incorporation, Rules of Procedure for Board Meetings, and organizational charters of functional committees.
4. **Other Key Governance Information:** Including information on the appointment of corporate governance officers and other relevant matters.

Chapter VI Supplementary Provisions

Article 50

The Company shall continuously monitor developments in domestic and

international corporate governance practices and review and improve its own governance system accordingly to enhance governance effectiveness.

Article 51

These Guidelines shall take effect upon approval by the Board of Directors.

Amendments shall follow the same procedure.

Any matters not covered herein shall be handled in accordance with applicable laws and regulations.