Corporate Governance Best Practice Principles

Of

CHC Healthcare Group (The "Company")

Chapter 1 General Principles

Article 1

The Company made the Principle to be followed in order to establish sound corporate governance systems and promote sound development of the securities market. Also the Principle is made for the purpose of establishing an effective corporate governance framework and it shall be disclosed through the Market Observation Post System (MOPS).

Article 2

When setting up the corporate governance system, in addition to complying with relevant laws, regulations, "Articles of Incorporation" of the Company, contracts signed with the Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange (GTSM), and other relevant regulations, the Company shall follow the following principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the powers of the Board of Directors.
3. Fulfill the function of audit committee.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency.

Article 3

The Company shall follow "Regulations Governing Establishment of Internal Control Systems by Public Companies" and take into consideration the overall operational activities of itself and its subsidiaries to establish an internal control system, and shall conduct continuing reviews of the system, in order to ensure the continued effectiveness of its design and implementation in light of changes in the Company's internal and external environment.

Adoption or amendment of its internal control system shall be approved by more than half of all audit committee members and submitted to the Board of Directors for resolution; when an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board meeting.

The Company shall perform full self-assessments of its internal control system. The Board of Directors and management shall review the results of the self-assessments by each department and the reports of the internal audit department at least annually. The audit committee shall also attend to and supervise these matters.

The Company is advised to establish channels and mechanisms of communication between their independent directors or audit committees, and internal auditing officer, and the convener of the audit committee shall report the communication between members of audit committees and internal auditing officer at the shareholders' meeting.

The management of the Company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate

problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, and to assist the Board of Directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

Appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the Company shall be reported to the Board of Directors or shall be submitted by the internal auditing officer to the Chairman for approval.

Article 3-1

The Company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the Company, business situations and management needs, and to appoint a corporate governance officer as the most senior officer followed by the rules and regulations of TWSE to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least 3 years in securities, financial, or futures related institution or a public company in handling legal affairs, legal compliance, internal auditing, financial affairs, stock affairs, or corporate governance affairs.

It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:

1. Handling matters relating to board meetings and shareholders' meetings according to laws.
2. Producing minutes of board meetings and shareholders' meetings.
3. Assisting in onboarding and continuous development of directors.
4. Furnishing information required for business execution by directors.
5. Assisting directors with legal compliance.
6. Reporting the results of whether the qualifications of independent directors comply with relevant laws and regulations when nomination, election and during their term of office to the Board of Directors.
7. Conducting matters related to changes of directors.
8. Other matters set out in the Company's "Articles of Incorporation" or contracts.

Chapter 2 Protection of Shareholders' Rights and Interests

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4

The corporate governance system of the Company shall be designed to protect shareholders' rights and interests and treat all shareholders equitably.

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

Article 5

The Company shall convene shareholders' meetings in accordance with "Company Act" and relevant laws and regulations, and provide comprehensive rules for such meetings. The

Company shall faithfully implement resolutions adopted by shareholders' meetings in accordance with the rules for the meetings.

Resolutions adopted by shareholders' meetings of the Company shall comply with laws, regulations and "Articles of Incorporation" of the Company.

Article 6

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 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, advisably with videoconferencing available and 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 reasonable time to deliberate each proposal and an appropriate opportunity to make statements.

For a shareholders' meeting called by the Board of Directors, it is advisable that the Chairman chair the meeting, that a majority of the directors (including at least one independent director) and convener of the audit committee attend in person, and that at least one member of other functional committees attend as representative. Attendance details should be recorded in the shareholders' meeting minutes.

Article 7

The Company shall encourage its shareholders to actively participate in corporate governance. It is advisable that the Company engage a professional shareholder services agent to handle shareholders' meeting matters, so that shareholders' meetings can proceed on a legal, effective and secure basis. The Company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas and supplementary information of shareholders' meetings in both Chinese and English concurrently, and shall adopt electronic voting, in order to enhance shareholders' attendance rates at shareholders' meetings and ensure their exercise of rights at such meetings in accordance with laws.

The Company is advised to avoid raising extraordinary motions and amendments to original proposals at a shareholders' meeting.

The Company is advised to arrange for its shareholders to vote on each separate proposal in the shareholders meeting agenda or to vote all the proposal at the same time after discussion but to separate each proposal's counting of votes, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions, on the MOPS.

Article 8

The Company, in accordance with "Company Act" and other applicable laws and regulations, shall record in the shareholders' meeting minutes the date and place of the meeting, the name of the chair, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. With respect to the election of directors, the

meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors.

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

Article 9

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

In order to protect the interests of most shareholders, if the chair declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders' meetings, it is advised that the members of the Board of Directors other than the chair of the shareholders' meeting promptly assist the attending shareholders at the shareholders' meeting in electing a new chair of the shareholders' meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10

The Company shall place high importance on the shareholders' right to know, and shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on the Company's financial conditions, operations, insider shareholdings, and corporate governance status through the MOPS or the website established by the Company.

To treat all shareholders equally, the Company is advised to disclose the information under the preceding paragraph in English simultaneously.

To protect its shareholders' rights and interests and ensure their equal treatment, the Company adopted "Procedures for Handling Material Inside Information and Regulations on Insider Trading". Insiders of the Company are prohibited from trading securities using information not disclosed to the market.

The content of "Procedures for Handling Material Inside Information and Regulations on Insider Trading" is advised to contain control measures for stock trade from the date when the insiders are informed of the Company's financial statements or related performance information, which includes but is not limited to a prohibition against directors trading the Company's stock during a blackout period of 30 days before the publication of the Company's annual financial statements and 15 days before the publication of each quarterly financial statements.

Article 10-1

The Company is advised to report the remunerations paid to directors in the annual shareholders' meeting, including the payment policy, remuneration of individual directors covering from the item, amount, to the relation to its performance evaluation result.

Article 11

The shareholders shall be entitled to profit distributions by the Company. In order to ensure

the investment interests of shareholders, unless otherwise provided by the laws and regulations, the shareholders' meeting may, pursuant to Article 184 of "Company Act", examine the statements and books prepared and submitted by the Board of Directors and the reports submitted by audit committee, and may decide profit distributions and deficit off-setting plans by resolution. In order to proceed with the above examination, the shareholders' meeting may appoint an inspector.

The shareholders may, pursuant to Article 245 of "Company Act", apply with the court to select an inspector in examining the accounting records, assets, particulars, documents and records of specific transaction of the Company.

Board of Directors, audit committee, and managerial officers of the Company shall fully cooperate in the examination conducted by the inspectors in the aforesaid two paragraphs without any obstruction, rejection or circumvention.

Article 12

In entering into material financial and business transactions such as acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, the Company shall proceed in accordance with the applicable laws and regulations and establish operating procedures in relation to these material financial and business transactions which shall be reported to and approved by the shareholders' meeting so as to protect the interests of the shareholders.

When the Company is involved in a merger, acquisition or public tender offer, in addition to proceeding in accordance with the applicable laws and regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, but information disclosure and the soundness of the Company's financial structure thereafter.

For the merger or acquisition involved the management and major shareholder of the Company, an independent lawyer shall issue a legal opinion on whether the members of the audit committee responsible for reviewing the merger and acquisition mentioned above meet the requirements of Articles 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and may not be a related party of any counterparty of a merger or acquisition transaction, nor have a relationship of interest that could affect their independence, whether the arrangement and execution of relevant procedures comply with relevant laws and regulations, and whether relevant information is fully disclosed in accordance with relevant laws and regulations.

The qualifications of the lawyer under the preceding paragraph shall comply with the requirements of Articles 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and may not be a related party of any counterparty of a merger or acquisition transaction, nor have a relationship of interest that could affect the lawyer's independence.

The relevant personnel of the Company handling the matters of merger, acquisition or public tender offer shall pay attention to the occurrence of any conflicts of interest and the need for recusal.

Article 13

In order to protect the interests of the shareholders, it is advised that the Company designate personnel exclusively dedicated to handling shareholder proposals, inquiries, and disputes.

The Company shall properly deal with any legal action duly instituted by shareholders in which it is claimed that shareholder rights and interests were damaged by a resolution adopted at a shareholders' meeting or a board meeting in violation of applicable laws, regulations, or "Articles of Incorporation" of the Company, or that such damage was caused by a breach of applicable laws, regulations or "Articles of Incorporation" of the Company by any directors or managerial officers in performing their duties.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13-1

Board of Directors of the Company is responsible for establishing a mechanism for interaction with shareholders to enhance 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, Board of Directors of the Company shall engage with shareholders in an efficient manner to ascertain shareholders' views and concerns, and expound company policies explicitly, in order to gain shareholders' support.

Section 3 Corporate Governance Relationships between the Company and Its Related Parties

Article 14

The Company shall clearly identify the objectives and the division of authority and responsibility between it and its affiliated enterprises with respect to management of personnel, assets, and financial matters, and shall properly carry out risk assessments and establish appropriate firewalls.

Article 15

Unless otherwise provided by the laws and regulations, any managerial officers of the Company may not serve as managerial officers of its affiliated enterprises.

Any director who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations shall explain the major content of such actions to the shareholders' meeting and obtain its consent.

Article 16

The Company shall establish sound objectives and systems for management of finance, operations, and accounting in accordance with applicable laws and regulations. It shall further, together with its affiliated enterprises, properly conduct an overall risk assessment of major banks they deal with and customers and suppliers, and implement the necessary control mechanisms to reduce credit risk.

Article 17

When the Company and its related parties enter into inter-company financial and business transactions, a written agreement governing the relevant financial and business operations

between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions and improper channeling of profits shall be prohibited.

The content of the written agreement in the preceding paragraph shall include the management procedures for transactions such as purchase and sale of goods, the acquisition or disposal of assets, loaning funds, and endorsement and guarantee. Relevant major transactions shall be submitted to the Board of Directors for approval, and reported to the shareholders' meeting for passage of a resolution.

Article 18

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

1. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the Company to conduct any business which is contrary to normal business practice or not profitable.
2. Its representative shall follow the rules implemented by the Company with respect to the exercise of rights and participation of resolution, so that at a shareholders' meeting, the representative shall exercise his/her voting right in good faith and for the best interest of all shareholders and shall exercise the fiduciary duty and duty of care of a director.
3. It shall comply with relevant laws, regulations and "Articles of Incorporation" of the Company in nominating directors and shall not act beyond the authority granted by the shareholders' meeting or the board meeting.
4. It shall not improperly intervene in the Company's policy making or obstruct operation of the Company.
5. It shall not restrict or impede the management or production of the Company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.
6. The representative that is designated when a corporate shareholder has been elected as a director 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 at all times a register of major shareholders who own a relatively high percentage of shares and have controlling power, and of the persons with ultimate control over those major shareholders.

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

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

Chapter 3 Enhancing the Function of Board of Directors

Section 1 Structure of Board of Directors

Article 20

The Company's Board of Directors shall direct corporate strategies, supervise the management, and be responsible to the Company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the Board of Directors complies with laws, regulations, "Articles of Incorporation" of the Company, and the resolutions of its shareholders' meetings.

The structure of the Company's Board of Directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders, and practical operational needs.

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

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

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

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

Article 21

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

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

When the number of directors falls below five due to the discharge of a director for any

reason, the Company shall hold a by-election for director at the following shareholders' meeting. When the number of directors falls short by one-third of the total number prescribed by "Articles of Incorporation", the Company shall convene a special shareholders' meeting within 60 days of the occurrence of that fact for a by-election for directors.

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

Article 22

The Company shall follow the competent authority's law prescribes to specify in "Articles of Incorporation" that it adopts the candidate nomination system for elections of directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of "Company Act", and act in accordance with Article 192-1 of "Company Act".

Article 23

Clear distinctions shall be drawn between the responsibilities of the Chairman and general manager of the Company.

It is inappropriate for the Chairman to also act as the general manager or other equivalent position.

Section 2 Independent Director System

Article 24

The Company shall have at least three independent directors following "Articles of Incorporation".

The number of independent directors is advised to be no less than one-third of all directors.

Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings. Applicable laws and regulations shall be observed and, in addition, it is not advisable for an independent director to hold office concurrently as a director (including independent director) or supervisor of more than five other TWSE/TPEx listed companies. Independent directors shall also maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the Company.

If the Company and its group enterprises and organizations, and another company and its group enterprises and organizations nominate for each other any director, supervisor or managerial officer as a candidate for an independent director of the other, the Company shall, at the time it receives the nominations for independent directors, disclose the fact and explain the suitability of the candidate for independent director. If the candidate is elected as an independent director, the Company shall disclose the number of votes cast in favor of the elected independent director.

The "group enterprises and organizations" in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50% of its endowment, and other institutions or juristic

persons that are substantially controlled by the Company.

Change of status between independent directors and non-independent directors during their term of office is prohibited.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with "Securities and Exchange Act", "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and the rules and regulations of TWSE or GTSM.

Article 25

The Company shall submit the following matters to the Board of Directors for approval by resolution as provided in "Securities and Exchange Act". When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board meeting:

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of "Securities and Exchange Act".
2. Adoption or amendment, pursuant to Article 36-1 of "Securities and Exchange Act", of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loaning funds to others, or 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 funds loaning, endorsement, or provision of guarantee.
6. The offering, issuance, or private placement of any equity-type securities.
7. The hiring, discharge, or compensation of an attesting CPA.
8. The appointment or discharge of a financial, accounting, or internal auditing officer.
9. Any other material matter so required by the competent authority.

Article 26

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

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

Section 3 Functional Committees

Article 27

For the purpose of developing supervisory functions and strengthening management mechanisms, the Board of Directors of the Company, in consideration of the Company's scale and type of operations 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 or other committees, and expressly provide for them in the “Articles of Incorporation”.

Functional committees shall be responsible to Board of Directors and submit their proposals to Board of Directors for resolution, provided that the performance of supervisor's duties by the audit committee pursuant to Article 14-4, paragraph 4 of “Securities and Exchange Act” shall be excluded.

Functional committees shall adopt an organizational charter to be approved by Board of Directors. The organizational charter shall contain the numbers, terms of office, and powers of committee members, as well as the meeting rules and resources to be provided by the Company for exercise of power by the committee.

Article 28

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

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

Article 28-1

The Company’s remuneration committee is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to “ Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter”.

Article 28-2

The Company is advised to establish a nominating committee and adopt an organizational charter, and it is advisable that more than half of the committee members be independent directors. The convener of the committee shall be an independent director.

Article 28-3

The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide protection for the files furnished by whistleblowers, and appropriately restrict access to such files. The unit shall also formulate internal procedures.

Article 29

To improve the quality of its financial reports, the Company shall establish the position of deputy to its principal accounting officer.

To enhance the professional abilities of the deputy accounting officer of the preceding paragraph, the deputy's continuing education shall proceed following the schedule of the principal accounting officer.

Accounting personnel handling the preparation of financial reports shall also participate in relevant professional development courses for 6 hours or more each year. Those courses may be the Company's internal training activities or may be professional courses offered by professional development institutions for principal accounting officers.

The Company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the Company. With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the CPA during the review, and concrete measures for improvement or prevention suggested by the CPA, the Company shall faithfully implement improvement actions. It is advisable that the Company establish channels and mechanisms of communication between the independent directors or audit committee, and the attesting CPA.

The Company shall refer to the Audit Quality Indicators to evaluate the independence of the CPA engaged by the Company regularly, and no less frequently than once annually. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the Board of Directors.

Article 30

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

When, as a result of performing their lawful duties, directors or the management are involved in litigation or a dispute with shareholders, the Company shall retain a legal counsel to provide assistance as circumstances require.

The audit committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the Company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the Company.

Section 4 Rules for the Proceedings of Board Meetings and the Decision-Making Procedures

Article 31

Board of Directors of the Company shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are 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 Board of Directors.

The Company shall adopt rules of procedure for board meetings, which shall follow "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

Article 32

Directors of the Company 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 the voluntary recusal of a director shall be clearly set forth in the rules of procedure for board meetings.

Article 33

When a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of "Securities and Exchange Act", an independent director of the Company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board meeting; if an independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board meeting.

In any of the following circumstances, decisions made by the Board of Directors shall be noted in the meeting minutes, and in addition, publicly announced and filed on the MOPS before the beginning of trading hours on the first business day after the date of the board meeting:

1. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
2. The matter was not approved by the audit committee, but had the consent of more than two-thirds of all directors.

During a board meeting, managerial officers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the Company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional 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

Staff personnel of the Company attending board meetings shall collect and correctly record the meeting minutes in detail, as well as a summary, the method of resolution, and voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

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

Meeting minutes may be produced, distributed, and preserved by electronic means.

The Company shall record on audio or video tape the entire proceedings of a board meeting and preserve the recordings for at least 5 years, in electronic form or otherwise.

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

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

When a resolution of Board of Directors violates laws, regulations, "Articles of Incorporation" of the Company, or resolutions adopted in the shareholders' meeting, and thus causes an injury to the Company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35

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

1. Business plans of the Company.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested.
3. Adoption or amendment to an internal control system pursuant to Article 14-1 of "Securities and Exchange Act", and evaluation of effectiveness of an internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of "Securities and Exchange Act", to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loaning funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The performance assessment and the standard of remuneration of the managerial officers.
7. The structure and system of director's remuneration.
8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
10. Any matter required by Article 14-3 of "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 board meeting, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to Board of Directors for discussion under the preceding paragraph, when Board of Directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or "Articles of Incorporation" of the

Company. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

Article 36

The Company shall ask the appropriate corporate department or personnel to execute matters pursuant to Board of Directors' resolutions in a manner consistent with the planned schedule and objectives. It shall also follow up on those matters and faithfully review their implementation.

Board of Directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of its management decisions.

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

Article 37

Members of Board of Directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders' meetings or in "Articles of Incorporation" of the Company, they shall ensure that all matters are handled according to the resolutions of Board of Directors.

The Company is advised to formulate regulations for Board of Directors' performance evaluation and relevant procedures, and that each year it shall conduct regularly scheduled performance evaluation of the Board of Directors and individual directors through self-assessment and peer-to-peer assessments. The Company may also conduct the performance evaluation by engaging outside professional institutions or in any other appropriate manner. The performance evaluation of the Board of Directors shall include following aspects, and that appropriate assessment indicators are developed in consideration of the Company's needs:

1. Participation in the operation of the Company.
2. Improvement of the quality of the Board of Directors' decision making.
3. Composition and structure of the Board of Directors.
4. Election and continuing education of the directors.
5. Internal control.

It is advisable that performance evaluation of members of Board of Directors (self-assessments or peer-to-peer assessments) include the following aspects, with appropriate adjustments made on the basis of the Company's needs:

1. Familiarity with the goals and missions of the Company.
2. Awareness of the duties of a director.
3. Participation in the operation of the Company.
4. Management of internal relationship and communication.
5. Professionalism and continuing education of directors.
6. Internal control.

The Company is advised to conduct a performance evaluation toward functional committees.

It is advisable that the performance evaluation of functional committees cover the following aspects, with appropriate adjustments made on the basis of the Company's needs:

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

The Company is advised to submit the results of performance evaluation to the Board of Directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.

Article 38

If a resolution of Board of Directors violates law, regulations or "Articles of Incorporation" of the Company, then at the request of shareholders holding shares continuously for a year or an independent director, to discontinue the implementation of the resolution, members of Board of Directors shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering likelihood that the Company would suffer material injury, members of the Board of Directors shall immediately report to the audit committee, an independent director member of the audit committee in accordance with the foregoing paragraph.

Article 39

The Company shall take out directors' liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director.

The Company shall 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

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

Chapter 4 Empowering the Supervisors (Canceled)

Chapter 5 Respecting Stakeholders' Rights

Article 51

The Company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the Company, respect

and safeguard their legal rights and interests, and designate a stakeholders section on its website.

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

Article 52

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

Article 53

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

Article 54

In developing its normal business and maximizing the shareholders' interest, the Company shall pay attention to consumers' interests, environmental protection of the community, and public interest issues, and shall give serious regard to the Company's social responsibility.

Chapter 6 Improving Information Transparency

Section 1 Enhancing Information Disclosure

Article 55

Disclosure of information is a major responsibility of the Company. The Company shall perform its obligations faithfully in accordance with the relevant laws and the related rules of TWSE or GTSM.

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

Article 56

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

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

In order to implement the spokesperson system, the Company shall unify the process of making external statements. It shall require the management and employees to maintain the

confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

The Company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 57

In order to keep shareholders and stakeholders fully informed, the Company shall utilize the convenience of the Internet and set up a website containing the information regarding the Company's finances, operations, and corporate governance. It is also advisable for the Company to furnish the financial, corporate governance, and other relevant information in English.

To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 58

The Company shall hold an investor conference in compliance with the regulations of TWSE or TPEx, and shall keep an audio or video record of the meeting. The financial and business information disclosed in the investor conference shall be disclosed on the MOPS and provided for inquiry through the website established by the Company, or through other channels, in accordance with the TWSE or TPEx rules.

Section 2 Disclosure of Information on Corporate Governance

Article 59

The Company shall build a designated section on its official website to disclose and update from time to time the following information regarding corporate governance:

1. Board of Directors: such as resume and responsibility of board members, policy and implementation on diversification of board members.
2. Functional committees: such as resume and responsibility of members under each functional committee.
3. Regulations related to corporate governance: such as “Article of Incorporation”, “Rules of Procedure for Meetings of Board of Directors”, and charter of the functional committee, etc.
4. Important information related to corporate governance: such as information on appointing a corporate governance officer, etc.

Chapter 7 Supplementary Provisions

Article 60

The Company shall at all times monitor domestic and international developments in corporate governance as a basis for review and improvement of the Company's own corporate governance mechanisms, so as to enhance their effectiveness.

Article 61

The Principle shall take effect after approved by the Board of Directors. Subsequent amendments thereto shall be effected in the same manner.

Version	Date of Implementation/Amendment	Type of Approval
1	2014/03/27	Approved by Board of Directors
2	2014/10/02	Approved by Board of Directors
3	2017/07/28	Approved by Board of Directors
4	2019/03/22	Approved by Board of Directors
5	2020/03/23	Approved by Board of Directors
6	2022/03/23	Approved by Board of Directors
7	2023/03/22	Approved by Board of Directors