

2024Year Corporate governance implementation and the difference from the Corporate Governance Best-
Practice Principles for TWSE/GTSM Listed Companies and reasons

Evaluation Item	Status			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies and reasons thereof.
	Yes	No	Summary	
I. Does the Company establish and disclose the corporate governance practices pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?	V		The Company has established its “Corporate Governance Best-Practice Principles,” and published it on the Company’s website.	No material discrepancy.
II. Shareholding structure and shareholder’s equity				
(I) Internal procedures for suggestions, questions, disputes and litigation from shareholders.	V		The Company has set up a spokesperson system and fully disclosed the spokesperson’s contact information on the Company’s website. Shareholders may provide feedback via phone or email. The Company will handle the matter in accordance with relevant operating procedures. Any matters involving legal issues will be referred to the legal affairs personnel.	No material discrepancy.
(II) Does the Company keep abreast of the list of major shareholders and the ultimate controlling parties of such shareholders?	V		The Company confirms the changes in the shareholdings of directors, managers, and major shareholders every month to keep abreast of the status of their shareholdings. The Company also publishes the list of the top ten shareholders in the annual report, and discloses the information about any shareholders holding more than 5% of the shares in the financial statements on a quarterly basis.	No material discrepancy.

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(III) Does the Company establish and implement a risk control mechanism and firewalls between its affiliates and itself?	V		The Company maintains financial and business independence from its subsidiaries, and has established the regulations governing the supervision of subsidiaries as the basis to be followed in transactions.	No material discrepancy.
(IV) Whether the Company established internal regulations prohibiting insider trading against non-public information?	V		The Company has established the “Regulations Governing the Prevention of Insider Trading,” which prohibits insiders from exploiting undisclosed information to trade securities.	No material discrepancy.
III. Composition and responsibilities of the board of directors				
(I) Has the board of directors formulated a diversity policy, and specific management objectives and are they implemented?	V		The provisions of Article 20 of the Company’s Corporate Governance Best-Practice Principles stipulate the diversity policy of board members, including operations, finances and accounting, management, crisis management, industry knowledge, international perspectives, leadership, and decision-making ability. The Company has not yet established other functional committees.	No material discrepancy.
(II) In addition to the remuneration committee and the audit committee set up in accordance with the law, does the Company set up other functional committees voluntarily?		V	The Company has established the “Regulations for Performance Evaluation of the Board of Directors” and conducts evaluations annually. The results of the evaluations are reported to the Board of Directors. The 2024 Board performance evaluation was reported at the Board meeting held on March 4, 2025. For details on the evaluation method and content,	In the future, the Company will establish other functional committees based on its operating condition. No material discrepancy.

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(III) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis? Are the results of the evaluation reported at the Board Meeting and used as reference for remuneration and the nomination for re-election?	V		<p>please refer to the section “Information concerning the Board of Directors” in this annual report.</p> <p>The Company has also established the “Regulations for Assessing the Independence and Competence of Certified Public Accountants (CPAs)”. The General Administration Division conducts annual evaluations of the independence and competence of the CPAs. In addition to requiring the CPAs to submit a “Declaration of Independence” and provide Audit Quality Indicators (AQIs), the evaluation is conducted based on the standards listed in the table below, along with 13 AQI metrics. It has been confirmed that the CPAs have no financial interests or business relationships with the Company other than for audit and tax-related fees. No family members of the CPAs are in violation of independence requirements. Based on the AQI indicators, it was also confirmed that both the CPAs and their firms exceed the industry average in terms of audit experience and training hours. Furthermore, over the past three years, the firm has continued implementing digital audit tools to enhance audit quality. The most recent evaluation was approved by the Audit Committee on May 7, 2024, and subsequently approved by the Board of Directors on the same date. The evaluation confirmed that the CPAs meet the Company’s standards for independence and are qualified to serve as the Company’s auditors.</p>	No material discrepancy.
(IV) Does the Company regularly assess the independence of CPAs?	V			

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			Review of the independence criteria:	
			Evaluation Item Meets Requirements	
			The CPA, their spouse, and minor children have no investment in or financial interests with the Company.	
			The CPA, their spouse, and minor children have no loan transactions with the Company. This excludes cases where the counterparty is a financial institution with a normal business relationship.	
			The CPA firm has not issued any assurance service reports on the effective operation of financial information systems it has designed or helped implement.	
			The CPA or any member of the audit engagement team has not served as a director, manager, or in any position with significant influence over the audit engagement for the Company during the current year or the past two years.	
			Non-audit services provided by the CPA do not directly affect any key items in the audit engagement.	
			The CPA or any audit engagement team member	

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			has not promoted or acted as an agent for the Company’s issued shares or other securities.		
			The CPA or any audit engagement team member has not represented the Company in legal matters or disputes with third parties, except for services permitted by law.	Yes	
			The CPA or any audit engagement team member has no spousal, direct blood relative, direct in-law, or second-degree collateral relative relationship with any Company director, manager, or person with significant influence over the audit engagement.	Yes	
			No former partner of the CPA firm who left the firm within the past year currently serves as a director, manager, or in a position with significant influence over the audit engagement.	Yes	
			The CPA or any audit engagement team member has not received significant gifts, gratuities, or special favors from the Company, its directors, managers, or major shareholders.	Yes	
			The CPA does not perform regular work, receive a fixed salary, or serve as a director or supervisor for the client.	Yes	

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			Publicly listed companies: The CPA has not provided audit services to the Company for seven consecutive years. Non-publicly listed companies: The CPA has not provided audit services to the Company for ten consecutive years.	Yes
			Review of Qualification Criteria:	
			Evaluation Item	Meets Requirements
			The CPA has not been subject to any disciplinary action by the CPA Disciplinary Committee in the past two years The CPA firm has not been involved in any litigation in the last two years.	Yes
			The CPA firm possesses sufficient scale, resources, and regional coverage to effectively provide audit services for the Company.	Yes
			The CPA firm has established clear quality control procedures, including the hierarchy and key aspects of audit procedures, methods for addressing audit issues and exercising judgment, independence quality control reviews, and risk management.	Yes
			The CPA firm has promptly informed the Audit	Yes

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			<div>Committee of any significant issues or developments related to risk management, corporate governance, financial accounting, or relevant risk controls.</div>	

<p>IV. Does the TWSE/TPEX listed company have an adequate number of corporate governance personnel with appropriate qualifications to be in charge of corporate governance affairs including, but not limited to, providing directors and supervisors with required information for business execution, handling relevant matters with board meetings and shareholders' meetings according to the laws, processing corporate registration and amendment registration, and preparing minutes of board meetings and shareholders' meetings?</p>	<p>V</p>	<p>The Company's General Management Unit is responsible for business related to corporate governance. The motion was reported to the Board of Directors on April 19, 2021 for approval of the appointment of Assistant Vice President YANG, PAI-JUNG as the Chief Corporate Governance Officer, who has worked as the management in charge of legal affairs, finance and shareholders service in public companies for more than two decades.</p> <p>Terms of reference and implementation:</p> <ol style="list-style-type: none"> 1. Organize meetings of the Board of Directors, Audit Committee, and Shareholders' Meeting as required by law. <ol style="list-style-type: none"> (1) Responsible for preparing for and convening meetings, assisting in drafting agendas and compiling information on proposals, providing meeting information and information to members in a timely and appropriate manner, assisting in meeting proceedings and minutes, and reminding recusal for conflict of interest, if necessary. (2) Assisting in compliance matters such as announcement or release of matters resolved at the meeting, and follow up on the implementation of matters resolved in the meeting. 2. Prepare the minutes of the Board of Directors and Shareholders' Meetings and provide the minutes of the Board of Directors and Shareholders' meetings within 20 days after the meeting. 3. Assisting in onboarding and continuing education of directors. 4. Providing directors with the information needed to perform their duties. 5. Reporting to the Board of Directors whether the qualifications of 	<p>No material discrepancy.</p>
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			<p>independent directors complied with relevant laws and regulations during the nomination, election, and term of office.</p> <p>6. Assisting directors in complying with laws and regulations, and reminding directors of their rights and obligations under relevant laws and regulations and regulatory developments.</p> <p>7. Other matters stipulated in the Articles of Incorporation or contracts.</p>	
V. Does the Company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers), and set up a dedicated area for stakeholders on the Company's website, and respond to important corporate social responsibility issues that stakeholders are concerned about appropriately?	V		The Company regularly discloses its financial reports and business information on the Market Observatory Post System (MOPS) and the Company's website, has engaged a spokesperson for external communication, and discloses a contact mailbox for stakeholders on the Company's website.	No material discrepancy.
VI. Does the Company appoint a professional stock affairs agency to handle the affairs of shareholders' meetings?	V		The Company appoints the Shareholders Service Department, Grand Fortune Securities Co., Ltd., to handle shareholders service affairs.	No material discrepancy.
VII. Public Disclosure of Information				
(I) Does the Company set up a website to disclose financial business and corporate governance information?	V		The Company discloses financial business and corporate governance information on its website at http://www.i-chiun.com.tw .	No material discrepancy.
(II) Does the Company adopt other information disclosure methods (such as setting up an English website,	V		The Company has established a website in Chinese and has engaged a spokesperson and an acting spokesperson for information collection and	No material discrepancy.

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<p>designating a person for collection and disclosure of information, implementing a spokesperson system, and publishing the process of investor conferences on the website)?</p> <p>(III) Does the company publicly announce and file the annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?</p>		V	<p>disclosure, serving as a bridge for external communication.</p> <p>The Company currently discloses and files its financial reports and monthly operating results in accordance with Article 36 of the Securities and Exchange Act and relevant directives issued by the Securities and Futures Bureau.</p>	No material discrepancy.
VIII. Does the Company have additional important information that is helpful to understand the operation of the corporate governance (including but not limited to the employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, further education of directors and supervisors, implementation of risk management policies and evaluation measures, implementation of customer policies and liability insurance coverage for directors and supervisors)?	V		<p>(I) Employees' rights and care to employees:</p> <ol style="list-style-type: none"> 1. The Company has established an Employee Welfare Committee and appropriated welfare funds as per the laws. 2. For information on employee rights and employee care, please refer to this annual report – Labor–Management Relations. <p>(II) Investor relations</p> <ol style="list-style-type: none"> 1. The Company has created an investor relations section on its official website to provide two-way information exchange. 2. The Company has established the Internal Material Information Processing Procedures to avoid improper disclosure of information, and to ensure the consistency and accuracy of the information published by the company to the public. 	No material discrepancy.

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			<p>(III) The Company has maintained a positive relationship with its suppliers.</p> <p>(IV) The continuing education of directors has been disclosed on the MOPS.</p> <p>(V) Directors' liability insurance has been enshrined in the Articles of Incorporation of the Company and was duly implemented. Important details such as the insured amount, scope and premium rate are reported to the Board of Directors on a regular basis.</p> <p>(VI) In order to improve the supervision and management functions of the Board of Directors, the Company has established the "Rules of Procedure for Board of Directors Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" promulgated by the competent authority.</p>	
<p>IX. Please specify the status of the correction based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies.</p> <p>The Company's General Management Unit is responsible for corporate governance-related matters and putting forth improvement measures based on the unimproved items in the corporate governance evaluation.</p>				