



2022 Annual Shareholders' Meeting Meeting Handbook

Meeting Date: 9 June 2022

Meeting Location: No. 15, Jing 2nd Road, Nanzih District,
Kaohsiung City (Employee Service Center)

* If the meeting location is changed due to COVID-19 impact, a public announcement will be made on the Market Observation Post System.

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JMC Electronics Co., Ltd.

2022 Annual Shareholders' Meeting Procedure

- 1. Call the Meeting to Order**
- 2. Chairman's Speech**
- 3. Status Reports**
- 4. Matters for Ratification**
- 5. Matters for Discussion**
- 6. Extempore Motions**
- 7. Adjournment**

JMC Electronics Co., Ltd.

2022 Annual Shareholders' Meeting Agenda

Time: 9 A.M., 9 June 2022 (Thursday)

Meeting Type: physical shareholders meeting

**Location: No. 15, Jing 2nd Road, Nanzih District, Kaohsiung City
(Employee Service Center)**

I. Call the Meeting to Order (Reports on the numbers of shares from the attended shareholders)

II. Chairman's Speech

III. Status Reports

- (1) To report the business of 2021
- (2) Audit Committee's review report of 2021
- (3) The communication between the Audit Committee and Internal Audit Chief Officer
- (4) To report 2021 employees' profit sharing bonus and directors' compensation
- (5) Report on the Handling of Corporate Bonds
- (6) Amendment to Corporate Social Responsibility Best Practice Principles
- (7) Amendment to Ethical Corporate Management Best Practice Principles.
- (8) Amendment to Procedures for Ethical Management and Guidelines for Conduct
- (9) Amendment to Rules of Procedure for Board of Directors Meetings

IV. Matters for Ratification

- (1) Approval of the Company's 2021 Business Report and Financial Statements
- (2) Approval of the Company's 2021 Earnings Distribution Proposal

V. Matters for Discussion

- (1) Amendment to Procedure for Acquisition and Disposal of Assets
- (2) Amendment to Articles of Incorporation
- (3) Amendment to Rules of Procedure for Shareholders' Meetings

VI. Extempore Motions

VII. Adjournment

【Status Reports】

(1) The Company's 2021 Business Report is submitted for review.

Please refer to page 9 of this Handbook.

(2) The Report on 2021 Closing Statements by Audit Committee is submitted for review.

Please refer to page 10 of this Handbook.

(3) The Report on Communications between Members of Audit Committee and Internal Audit Director is submitted for review.

Please refer to page 11 of this Handbook

(4) Report on 2021 Distribution of Employees' profit sharing bonus and directors' compensation of the Company.

Illustration: The board of directors of the Company passed a resolution on 15 March 2022 to distribute the Company's 2021 employees' and directors' compensation as follows in accordance with Article 24 of its Articles of Association:

Item	Distribution Ratio	Amount	Way of Distribution
Employees' compensation	2%	NT\$8,060,542	All distributed by cash
Directors' compensation	1%	NT\$4,030,271	

(5) The Report on the Handling of Corporate Bonds is submitted for review.

Please refer to page 12 of this Handbook.

(6) The amendment to Corporate Social Responsibility Best Practice Principles is submitted for review.

Illustration: 1. Amendments are made in accordance with legislative amendments by the competent authority and the requirements of the Company's actual operation.
2. For the comparison table of regulations, please refer to pages 13-20 of this Handbook.

(7) The amendment to Ethical Corporate Management Best Practice Principles is submitted for review.

Illustration: 1. Amendments are made in accordance with the requirements of the Company's actual operation.
2. For the comparison table of regulations, please refer to page 21-22 of this Handbook.

(8) The amendment to Procedures for Ethical Management and Guidelines for Conduct is submitted for review.

Illustration: 1. Amendments are made in accordance with the requirements of the Company's actual operation.
2. For the comparison table of regulations, please refer to page 23-14 of this Handbook.

(9) The amendment to Rules of Procedure for Board of Directors Meetings is submitted for review.

Illustration: 1. Amendments are made in accordance with the Company's operation planning.
2. For the comparison table of regulations, please refer to page 25-26 of this Handbook.

【Matters for Ratification】

Agenda 1: Proposed by Board of Directors

Approval of the Company's 2021 Business Report and Financial Statements.

Illustration:

- (1) The Company's 2021 Financial Statements were approved by resolution of the board of directors on 15 March 2022 and audited by CPAs Wang, Chao-Chun and Liu, Yu-Xiang from Debitte Taiwan. An audit report was issued. The audit report by the Audit Committee is also issued by the Audit Committee.
- (2) The above documents (please refer to pages 27-35 of this Handbook) and the Business Report (please refer to page 9 of this Handbook) are submitted for approval.

Resolution:

Agenda 2: Proposed by Board of Directors

Subject: Approval of the Company's 2021 Earnings Distribution Proposal.

Illustration:

- (1) The Company's board of directors established the 2021 Earnings Distribution Proposal as follows on 15 March 2022 in accordance with the Company Act and the Articles of Incorporation of the Company:

Earnings Distribution Table for 2021

	Unit: NT\$
Unappropriated retained earnings for previous year	\$ 348,945,791
Plus: net profit for 2021	324,410,566
Plus: Inclusion of actuated profit (or loss) in earnings reserve	(751,236)
Plus: Inclusion of realized profit in earnings reserve	78,239,885
Less: 10% legal reserve	(40,189,922)
Earnings available for distribution for 2021	710,655,084
Less: Distribution Items	
Cash dividends for common shares (NT\$2 per share)	(166,000,000)
Unappropriated Retained Earnings	544,655,084

Chairman:

Huang, Chia-Neng

Manager:

Li, Yuan-Xia

Accounting Director:

CHEN, SING-CHEN

Note:1. The above dividend per share is calculated based on 83,000,000 outstanding shares as of 15 March 2022.

2. Fractional payment below NT\$1 under this dividend distribution in cash shall be paid to the Employee Benefit Committee.

(2). This shareholder bonus constitutes cash dividend of NT\$2 per share. The board of directors is authorized to fix a record date and issue payment following approval by the general shareholders meeting.

Resolution:

【Matters for Discussion】

Agenda 1: Proposed by Board of Directors

Subject: Amendment to Procedure for Acquisition and Disposal of Assets.

Illustration:

- (1) Amendments are made in accordance with legislative amendments by the competent authority and the requirements of the Company's actual operation.
- (2) For the comparison table of regulations, please refer to pages 36-52 of this Handbook.
- (3) Please discuss and resolve.

Resolution:

Agenda 2: Proposed by Board of Directors

Subject: Amendment to Articles of Incorporation.

Illustration:

- (1) Amendment in accordance with the Company's operation planning.
- (2) For the comparison table of regulations, please refer to pages 53-55 of this Handbook.
- (3) Please discuss and resolve.

Resolution:

Agenda 3: Proposed by Board of Directors

Subject: Amendment to Rules of Procedure for Shareholders Meetings.

Illustration:

- (1) Amendment in accordance with the Company's operation planning.
- (2) For the comparison table of regulations, please refer to page 56-57 of this Handbook.
- (3) Please discuss and resolve.

Resolution:

【Extempore Motions】

【Adjournment】

【Attachment】

JMC ELECTRONICS CO., LTD.
2021 Business Report

I. 2021 Business Report

The continuous spread of COVID-19 has caused unstable and uncertain economic activities across the globe. In particular, panel industry products are highly connected with human daily activities, and the fluctuations were thus much dramatic and unpredictable. Being a material for products in this industry, Tape-COF has experienced a similar situation. The total sales quantity of JMC was 425,894K pieces in 2021, with a turnover NT\$3,002,859 thousands.

II. 2022 Operation and Future Outlook

Since human activities continue to experience interference from COVID-19, lifestyles have changed; people stay home more and pay more attention to health. Accordingly, the demand for large-size watch panels is stable. New applications of automobile panels grow continuously. The design for application of mobile phone panels is now in transformation, and any change is yet to be observed. Overall, the annual demand is positive and optimistic, and the demand is expected to recover during the second quarter, following the off season in the first quarter.

After observing and analyzing the market situation, JMC has maintained existing operational strategies because the technology of JMC is still consistent with the planning of the target market and the orientation of market demand. The primary operational strategies of JMC are: focus on applications 1-Metal Semi (semi-additive method) and 1-Metal Sub (etching method) to Tape-COF of a variety of panel drive ICs. The newly established 2-Metal production line will develop LED carrier boards and other IC carrier boards to expand different product applications and customers for the company's stable and growing operation. We look forward to your support and encouragement, and JMC will continuously look to make returns for shareholders. Thank you!

Wishing you all
health and happiness,

Chairman: Huang, Chia-Neng

General Manager: Li, Yuan-Xia

Finance & Accounting Manager: CHEN, HSING-CHEN

JMC Electronics Co., Ltd.

Audit Report by Audit Committee

The board of directors has prepared the Company's 2021 Business Report, Financial Statements and Profit Distribution Proposal, etc., among which the Financial Reports have been audited by CPAs Wang, Chao-Chun and Liu, Yu-Xiang of Debitte Taiwan and an Audit Report has been issued. The Audit Committee has reviewed such Business Report, Financial Statements and Profit Distribution Proposal and has found them compliant. Thus, this report is issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for review.

To

JMC Electronics Co., Ltd. 2022 Annual Shareholders' Meeting

JMC Electronics Co., Ltd. Audit Committee

Auditor: 柯永祥

Auditor: 楊嘉翰

Auditor: 楊明卿

15 March 2022

JMC Electronics Co., Ltd.

2021 Communication between Members of Audit Committee and Internal Audit Director

1. Meetings between independent directors (members of Audit Committee) and Internal Audit Director and CPA:

Date	Key Points of Communication
2021.11.10	1. Report on 2021 financial report audit planning and interim audit findings (1) Report on findings from 2021 financial statements audit procedure. (2) Explanation about audit planning and audit scope. (3) Explanation about contemplated audit procedure for 2021 key matters of audit. (4) CPA statement of independence (5) Explanation about Corporate Governance 3.0 – Blue Print for Sustainable Development promotional measures Recommendations by independent directors: None 2. Internal Control Audit Plan (1) Report on audit status for the first to the third quarters of 2021. (2) Report on contemplated procedure for 2021 internal control self-assessment. (3) Discussion about 2022 audit plan. Recommendations by independent directors: None

2. Communication between independent directors and Internal Audit Director and Audit Committee (including pre-meetings):

Date	Key Points of Communication
2021.01.28	1. Report on audit status for the fourth quarter of 2020 2. Recommendations by independent directors: None
2021.03.18	1. Report on 2020 Statement of Internal Control System 2. Recommendations by independent directors: None
2021.04.26	1. Report on audit status for the first quarter of 2021 2. Recommendations by independent directors: None
2021.08.11	1. Report on audit status for the second quarter of 2021 2. Recommendations by independent directors: None
2021.11.10	1. Report on audit status for the third quarter of 2021 2. 2022 audit plan 3. Recommendations by independent directors: None

3. The audit director provided the audit report to the independent directors by email within one month from its completion.
4. The Company has provided the independent directors and internal audit director with their telephone numbers and email addresses in order to facilitate their direct contact and communication.

JMC Electronics Co., Ltd.
Status of Corporate Bond
31 December 2021

Type of Corporate Bond		First Issuance of Domestic Secured Corporate Convertible Bond
Issue Date		25 October 2021
Face Value		NT\$100,000 per unit
Issue and Transaction Location		Domestic issuance; OTC listing
Issue Price		NT\$106.63
Total Amount		NT\$500,000,000
Interest Rate		Bond Rate 0%
Period		5 years; maturity date: 25 October 2026
Guarantor		Taishin International Commercial Bank Co., Ltd.
Agent		Taiwan Land Bank Co., Ltd.
Underwriter		Taishing Securities Co., Ltd.
Certifying Attorney		Chiu, Li-Fei
Certifying CPA		Deloitte Taiwan Certifying CPA for latest year: Wang, Chao-Chun, Liu, Yu-Xiang Certifying CPA for latest period: Wang, Chao-Chun, Liu, Yu-Xiang
Repayment Method		Full repayment upon maturity
Outstanding Principal		NT\$500,000,000
Redemption or Prepayment Clause		As detailed in Issuance and Conversion Rules
Restriction Clause		None
Credit rating agency, rating date, corporate bond rating result		None
Other rights attached	Amount of converted (exchanged or subscribed) ordinary shares, overseas deposit certificates or other securities as of 31 December 2021	0
	Issuance and Conversion (Exchange or Subscription) Rules	Please refer to bond issuance details in the Bond Section of Market Observation Post System
Potential dilution and impact on existing shareholder interest from issuance and conversion, exchange or subscription rules or issuance conditions		Assuming conversion by all convertible corporate bond holders at the current conversion price of NT\$63.5, maximum dilution rate is approximately 8.66%. The dilution effect is limited.
Custodian institution for converted targets		None

JMC Electronics Co., Ltd
Comparison Table of “Corporate Social Responsibility Best Practice Principles” before and after Amendments

After	Before	Remarks
<u>Sustainable Development</u> Best Practice Principles	<u>Corporate Social Responsibility</u> Best Practice Principles	In accordance with amendment to legislative title.
<p>Article 2 These Principles apply to the entire operations of the Company and its business group. The Company actively <u>implements sustainable development</u> in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, improves the quality of life of employees, the community and society by acting as a responsible corporate citizen, and to enhances competitive edges built on <u>sustainable development</u>.</p>	<p>Article 2 These Principles apply to the entire operations of the Company and its business group. The Company actively fulfills its <u>corporate social responsibility</u> in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, improves the quality of life of employees, the community and society by acting as a responsible corporate citizen, and to enhances competitive edges built on <u>corporate social responsibility</u>.</p>	Amendment in accordance with applicable law and actual requirements of the Company’s operation.
<p>Article 3 In <u>promoting sustainable development</u> initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.</p>	<p>Article 3 In <u>fulfilling corporate social responsibility</u> initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.</p>	Amendment in accordance with applicable law and actual requirements of the Company’s operation.

After	Before	Remarks
<p>Article 4 To implement <u>sustainable development</u> initiatives, the Company is advised to follow the principles below:</p> <ol style="list-style-type: none"> 1 Exercise corporate governance. 2 Foster a sustainable environment. 3 Preserve public welfare. 4 Enhance disclosure of <u>sustainable development</u> information. 	<p>Article 4 To implement <u>corporate social responsibility</u> initiatives, the Company is advised to follow the principles below:</p> <ol style="list-style-type: none"> 1 Exercise corporate governance. 2 Foster a sustainable environment. 3 Preserve public welfare. 4 Enhance disclosure of <u>corporate social responsibility</u> information. 	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 5 The Company shall take into consideration the correlation between the development of domestic and international <u>sustainable development</u> principles and corporate core business operations, and the effect of the operation of the Company itself and of its business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> programs, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving <u>sustainable development</u>, the Company's board of directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>Article 5 The Company shall take into consideration the correlation between the development of domestic and international <u>corporate social responsibility</u> principles and corporate core business operations, and the effect of the operation of the Company itself and of its business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> programs, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving <u>corporate social responsibility</u>, the Company's board of directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 7 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>sustainable development</u> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>sustainable development</u> policies. The board of directors of the Company is advised to cover following matters, in the Company's</p>	<p>Article 7 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>corporate social responsibility</u> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>corporate social responsibility</u> policies. The board of directors of the Company is advised to cover</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>

After	Before	Remarks
<p>performance of its <u>sustainable development</u> initiatives:</p> <ol style="list-style-type: none"> 1 Identifying the Company's <u>sustainable development</u> mission or vision, and declaring its <u>sustainable development</u>, systems or relevant management guidelines; 2 Making <u>sustainable development</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>sustainable development</u> initiatives; and 3 Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> information. <p>The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.</p>	<p>following matters, in the Company's performance of its <u>corporate social responsibility</u> initiatives:</p> <ol style="list-style-type: none"> 1 Identifying the Company's <u>corporate social responsibility</u> mission or vision, and declaring its <u>corporate social responsibility policy</u>, systems or relevant management guidelines; 2 Making <u>corporate social responsibility</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>corporate social responsibility</u> initiatives; and 3 Enhancing the timeliness and accuracy of the disclosure of <u>corporate social responsibility</u> information. <p>The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.</p>	
<p>Article 8 The Company is advised to, on a regular basis, organize education and training on the implementation of <u>sustainable development</u> initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.</p>	<p>Article 8 The Company is advised to, on a regular basis, organize education and training on the implementation of <u>corporate social responsibility</u> initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 9 For the purpose of managing <u>sustainable development</u> initiatives, the Company is advised to establish <u>a governance structure to promote sustainable development. The Company has established a Sustainable Development</u></p>	<p>Article 9 For the purpose of managing <u>corporate social responsibility</u> initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>corporate social responsibility</u></p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's</p>

After	Before	Remarks
<p><u>Committee exclusively dedicated to sustainable development</u> to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.</p> <p>The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <u>sustainable development</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<p>policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.</p> <p>The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <u>corporate social responsibility</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<p>operation.</p>
<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>sustainable development</u> issues which they are concerned about.</p>	<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>corporate social responsibility</u> issues which they are concerned about.</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 12</p> <p>The Company is advised to endeavor to <u>utilize energy</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Article 12</p> <p>The Company is advised to endeavor to <u>utilize all resources</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 17</p> <p>The Company is advised to assess the current and future potential risks and</p>	<p>Article 17</p> <p>The Company is advised to assess the current and future potential risks and</p>	<p>Amendment in accordance with</p>

After	Before	Remarks
<p>opportunities that climate change may present to enterprises and to relevant measures.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1 Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company. 2 Indirect greenhouse gas emissions: emissions resulting from the generation of externally incoming electricity, heating, or steam. <p>The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The Company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.</p> <p>3 <u>Other indirect emission: Emission generated from the Company's activities, which is not direct energy emission and which comes from emission sources owned or controlled by other companies.</u></p>	<p>opportunities that climate change may present to enterprises and to adopt climate related measures.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1 Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company. 2 Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased electricity, heating, or steam. <p>The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The Company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.</p>	<p>applicable law and actual requirements of the Company's operation.</p>
<p>Chapter 5 Enhancing Disclosure of <u>Sustainable Development</u> Information</p>	<p>Chapter 5 Enhancing Disclosure of <u>Corporate Social Responsibility</u> Information</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's</p>

After	Before	Remarks
<p>Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their <u>sustainable development</u> initiatives to improve information transparency. Relevant information relating to <u>sustainable development</u> which the Company shall disclose includes:</p> <ol style="list-style-type: none"> 1 The policy, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> initiatives, as resolved by the board of directors. 2 The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3 Goals and measures for realizing the <u>sustainable development</u> initiatives established by the companies, and performance in implementation. 4 Major stakeholders and their concerns. 5 Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6 Other information relating to <u>sustainable development</u> initiatives. 	<p>Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their <u>corporate social responsibility</u> initiatives to improve information transparency. Relevant information relating to <u>corporate social responsibility</u> which the Company shall disclose includes:</p> <ol style="list-style-type: none"> 1 The policy, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> initiatives, as resolved by the board of directors. 2 The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3 Goals and measures for realizing the <u>corporate social responsibility</u> initiatives established by the companies, and performance in implementation. 4 Major stakeholders and their concerns. 5 Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6 Other information relating to <u>corporate social responsibility</u> initiatives. 	<p>operation. Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing <u>sustainability</u> reports, to disclose the status of their</p>	<p>Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing <u>corporate social responsibility</u> reports, to disclose the</p>	<p>Amendment in accordance with applicable law and actual requirements</p>

After	Before	Remarks
<p>implementation of the <u>sustainable development</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <ol style="list-style-type: none"> 1 The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>sustainable development</u> initiatives. 2 Major stakeholders and their concerns. 3 Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4 Future improvements and goals 	<p>status of their implementation of the <u>corporate social responsibility</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <ol style="list-style-type: none"> 1 The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>corporate social responsibility</u> initiatives. 2 Major stakeholders and their concerns. 3 Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4 Future improvements and goals. 	<p>of the Company's operation.</p>
<p>Article 30 The Company shall at all times monitor the development of domestic and foreign <u>sustainable development</u> standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the <u>sustainable development</u>.</p>	<p>Article 30 The Company shall at all times monitor the development of domestic and foreign <u>corporate social responsibility</u> standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the <u>corporate social responsibility policy</u>.</p>	<p>Amendment in accordance with applicable law and actual requirements of the Company's operation.</p>
<p>Article 31 The establishment of these Principles as approved by the board of directors on 22 February 2016 and its implementation was approved by the shareholders meeting on 10 May 2016. The same shall be applicable to any amendment. The first amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting on 10 June</p>	<p>Article 31 The establishment of these Principles as approved by the board of directors on 22 February 2016 and its implementation was approved by the shareholders meeting on 10 May 2016. The same shall be applicable to any amendment. The first amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting on 10 June</p>	<p>Date of this amendment is added.</p>

After	Before	Remarks
2020. <u>The second amendment is proposed to be implemented following approval by the board of directors on 15 March 2022 and reported to the general shareholders meeting on 9 June 2022.</u>	2020.	

JMC Electronics Co., Ltd

Comparison Table of “Ethical Corporate Management Best Practice Principles” before and after Amendments

After	Before	Remarks
<p>Article 16 (Organization and Responsibility): The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, the Company avails itself of adequate resources and staff itself with competent personnel. <u>The administration department is</u> responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs and is mainly in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):</p> <ol style="list-style-type: none"> 1 Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2 Analyzing and assessing on a regular basis the risk of involvement in unethical 	<p>Article 16 (Organization and Responsibility): The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, the Company avails itself of adequate resources and staff itself with competent personnel. <u>The audit department is</u> responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs and is mainly in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):</p> <ol style="list-style-type: none"> 1 Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2 Analyzing and assessing on a regular basis the risk of involvement in unethical 	<p>Amendment in accordance with requirements of the Company's actual operation.</p>

After	Before	Remarks
<p>conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.</p> <p>3 Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>4 Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5 Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6 Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	<p>conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.</p> <p>3 Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>4 Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5 Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6 Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	

JMC Electronics Co., Ltd.

Comparison Table of “ Procedures for Ethical Management and Guidelines for Conduct”before and after Amendments

After	Before	Remarks
<p>Article 5 Responsible Unit and Duties The Company designates <u>the administration department</u> as the solely responsible unit (hereinafter, "responsible unit") and provides it with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors:</p> <ol style="list-style-type: none"> 1 Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2 Analysing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's 	<p>Article 5 Responsible Unit and Duties The Company designates <u>the internal audit department</u> as the solely responsible unit (hereinafter, "responsible unit") <u>under the board of directors</u> and provide it with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors:</p> <ol style="list-style-type: none"> 1 Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2 Analysing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's 	<p>Amendment in accordance with requirements of the Company's actual operation.</p>

After	Before	Remarks
<p>operations and business.</p> <p>3 Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>4 Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5 Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6 Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p> <p>7 Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.</p>	<p>operations and business.</p> <p>3 Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>4 Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5 Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6 Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p> <p>7 Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.</p>	

JMC Electronics Co., Ltd.
Comparison Table of “Rules of Procedure for Board of Directors Meetings” before and after Amendments

After	Before	Remarks
<p>Article 7 Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</p> <p>If the board meeting is convened by the majority of directors in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall select from among themselves one director to serve as chair.</p> <p>When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, <u>the vice chairperson shall act in place of the chairperson; if the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson,</u> the chairperson shall appoint one of the directors to act as chair. If no such designation is made by the chairperson, the directors shall select one person from among themselves to serve as chair.</p>	<p>Article 7 Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</p> <p>If the board meeting is convened by the majority of directors in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall select from among themselves one director to serve as chair.</p> <p>When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the chairperson shall appoint one of the directors to act as chair. If no such designation is made by the chairperson, the directors shall select one person from among themselves to serve as chair.</p>	<p>Amendment in accordance with Company’s operation planning.</p>

After	Before	Remarks
<p>Article 18 These Rules were established on 25 March 2015, implemented following approval by the board of directors and reported to the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment. The first amendment was implemented following approval by the board of directors on 5 August 2015 and reported to the extraordinary shareholders meeting on 2 October 2015. The second amendment was implemented following approval by the board of directors on 6 November 2017 and reported to the general shareholders meeting in 2018. The third amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting in 2020.</p> <p><u>The fourth amendment is contemplated to be implemented following approval by the board of directors on 15 March 2022 and is contemplated to be reported to the general shareholders meeting in 2022.</u></p>	<p>Article 18 These Rules were established on 25 March 2015, implemented following approval by the board of directors and reported to the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment. The first amendment was implemented following approval by the board of directors on 5 August 2015 and reported to the extraordinary shareholders meeting on 2 October 2015. The second amendment was implemented following approval by the board of directors on 6 November 2017 and reported to the general shareholders meeting in 2018. The third amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting in 2020.</p>	<p>The date of this amendment is added.</p>

2021 Financial Statement

INDEPENDENT AUDITORS' REPORT

JMC Electronics Co., Ltd.

Opinion

We have audited the accompanying financial statements of JMC Electronics Co., Ltd. (the "Corporation"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's financial statements for the year ended December 31, 2021 is described as follows:

Significant Contingencies

As stated in Note 32 of the financial statements, Chipbond Technology Corp. filed a criminal incidental civil lawsuit against the Corporation for the breach of trade secrets and requested compensation for damages amounting to NT\$1,000,000 thousand. In August 2021, an additional claim was made for the amount of damages. In addition, a civil lawsuit for the infringement of trade secrets was filed, seeking an indemnification of NT\$1,765,137 thousand. The lawyer entrusted by the Corporation assessed that the litigation case had no significant adverse impact on the Corporation. Therefore, the management of the Corporation assessed that the lawsuit will not have a significant impact on the Corporation's business and financial position. The aforementioned case has not been adjudged by the court as of March 15, 2022. The litigation case is a significant matter during the financial reporting period and involves the use of management's material estimates and expert reports.

Our audit of the significant contingencies focused on the reasonableness of management's estimates and the opinion of expert, and we performed the following main audit procedures:

1. We sent the confirmation letter to the expert and obtained a declaration of independence from the expert.
2. We obtained the expert's report and reviewed the opinions of the litigation case.
3. We inquired management and experts about the judging basis of the possible outcome of a litigation case.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, AND SIC endorsed and issued into effect by the FSC of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chao-Chun Wang and Yu-Hsiang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2022

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

JMC ELECTRONICS CO., LTD.

BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash (Note 6)	\$ 665,410	13	\$ 286,386	7
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	550	-	-	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	6,803	-	587,623	14
Accounts receivable, net (Notes 4 and 9)	386,950	8	333,046	8
Accounts receivable - related parties (Notes 4, 9 and 30)	43,494	1	23,893	-
Other receivables (Note 30)	2,001	-	2,007	-
Inventories (Notes 4 and 10)	229,967	5	230,305	5
Other financial assets - current (Note 31)	1,785	-	1,785	-
Other current assets (Note 11)	79,835	2	111,677	3
Total current assets	1,416,795	29	1,576,722	37
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	942,597	19	-	-
Property, plant and equipment (Notes 4 and 12)	2,366,757	48	2,445,256	57
Right-of-use assets (Notes 4 and 13)	100,358	2	119,289	3
Deferred tax assets (Notes 4 and 25)	5,821	-	9,759	-
Prepayments for equipment	26,218	1	53,694	1
Refundable deposits (Note 30)	3,342	-	3,342	-
Net defined benefit assets - non-current (Note 21)	-	-	393	-
Other financial assets - non-current (Note 31)	-	-	20,000	1
Other non-current assets (Note 15)	33,360	1	28,835	1
Total non-current assets	3,478,453	71	2,680,568	63
TOTAL	\$ 4,895,248	100	\$ 4,257,290	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ -	-	\$ 230,000	5
Contract liabilities - current (Note 23)	53,759	1	43,853	1
Accounts payable (Notes 18 and 30)	167,231	4	205,645	5
Other payables (Notes 19 and 30)	256,823	5	271,483	6
Current tax liabilities (Notes 4 and 25)	67,394	1	46,245	1
Lease liabilities - current (Notes 4, 13 and 30)	18,589	1	18,137	1
Current portion of long-term borrowings (Note 16)	6,250	-	66,667	2
Other current liabilities (Notes 4 and 20)	4,876	-	28,681	1
Total current liabilities	574,922	12	910,711	22
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 17)	481,212	10	-	-
Long-term borrowings (Note 16)	938,763	19	963,271	23
Deferred tax liabilities (Notes 4 and 25)	1,105	-	312	-
Lease liabilities - non-current (Notes 4, 13 and 30)	85,442	2	104,031	2
Net defined benefit liabilities (Note 21)	335	-	-	-
Guarantee deposits (Note 30)	250	-	50	-
Other non-current liabilities (Note 4)	9,545	-	11,924	-
Total non-current liabilities	1,516,652	31	1,079,588	25
Total liabilities	2,091,574	43	1,990,299	47
EQUITY (Note 22)				
Ordinary shares	830,000	17	830,000	19
Capital surplus	638,654	13	590,312	14
Retained earnings				
Legal reserve	111,379	2	96,327	2
Unappropriated earnings	750,845	15	488,497	12
Total retained earnings	862,224	17	584,824	14
Other equity	472,796	10	261,855	6
Total equity	2,803,674	57	2,266,991	53
TOTAL	\$ 4,895,248	100	\$ 4,257,290	100

The accompanying notes are an integral part of the financial statements.

JMC ELECTRONICS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23, 30 and 36)	\$ 3,002,859	100	\$ 2,646,853	100
OPERATING COSTS (Notes 10, 24 and 30)	<u>2,403,390</u>	<u>80</u>	<u>2,269,081</u>	<u>86</u>
GROSS PROFIT	<u>599,469</u>	<u>20</u>	<u>377,772</u>	<u>14</u>
OPERATING EXPENSES (Note 24)				
Selling and marketing expenses	34,229	1	22,689	1
General and administrative expenses	135,296	5	105,525	4
Research and development expenses	<u>68,947</u>	<u>2</u>	<u>67,052</u>	<u>2</u>
Total operating expenses	<u>238,472</u>	<u>8</u>	<u>195,266</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>360,997</u>	<u>12</u>	<u>182,506</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES (Note 24)				
Interest income	421	-	408	-
Other income	40,737	1	33,464	1
Other gains and losses	5,477	-	(10,760)	-
Finance costs	<u>(16,696)</u>	<u>-</u>	<u>(16,461)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>29,939</u>	<u>1</u>	<u>6,651</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	390,936	13	189,157	7
INCOME TAX EXPENSE (Notes 4 and 25)	<u>66,525</u>	<u>2</u>	<u>40,829</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>324,411</u>	<u>11</u>	<u>148,328</u>	<u>5</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	(939)	-	360	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	289,181	9	231,149	9

(Continued)

JMC ELECTRONICS CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2021		2020	
	Amount	%	Amount	%
Income tax relating to items that will not be reclassified subsequently to profit or loss	\$ 188	-	\$ (72)	-
Other comprehensive income for the year, net of income tax	288,430	9	231,437	9
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 612,841	20	\$ 379,765	14
EARNINGS PER SHARE (Note 26)				
Basic	\$ 3.91		\$ 1.57	
Diluted	\$ 3.90		\$ 1.57	

The accompanying notes are an integral part of the financial statements.

(Concluded)

JMC ELECTRONICS CO., LTD.

STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Ordinary Shares	Retained Earnings			Unappropriated Earnings	Total	Other Equity Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
		Capital Surplus	Legal Reserve	Special Reserve				
BALANCE AT JANUARY 1, 2020	\$ 1,000,000	\$ 590,312	\$ 43,892	\$ 9,218	\$ 581,199	\$ 634,309	\$ 32,605	\$ 2,257,226
Appropriation of earnings (Note 22)	-	-	52,435	-	(52,435)	-	-	-
Legal reserve	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Cash dividends	-	-	-	(9,218)	9,218	-	-	-
Reverse of special reserve	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2020	-	-	52,435	(9,218)	(243,217)	(200,000)	-	(200,000)
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	148,328	148,328	-	148,328
	-	-	-	-	288	288	231,149	231,437
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	148,616	148,616	231,149	379,765
Capital reduction by cash (Note 22)	(170,000)	-	-	-	-	-	-	(170,000)
Disposal of investments in equity instruments at fair value through other comprehensive income (Note 22)	-	-	-	-	1,899	1,899	(1,899)	-
BALANCE AT DECEMBER 31, 2020	830,000	590,312	96,327	-	488,497	584,824	261,855	2,266,991
Appropriation of earnings (Note 22)	-	-	15,052	-	(15,052)	-	-	-
Legal reserve	-	-	-	-	(124,500)	(124,500)	-	(124,500)
Cash dividends	-	-	-	-	-	-	-	-
Equity component of convertible bonds issued by the Corporation (Note 17)	-	-	15,052	-	(139,552)	(124,500)	-	(124,500)
Net profit for the year ended December 31, 2021	-	48,342	-	-	324,411	324,411	-	48,342
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	(751)	(751)	289,181	324,411
	-	-	-	-	-	-	-	288,430
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	323,660	323,660	289,181	612,841
Disposal of investments in equity instruments at fair value through other comprehensive income (Note 22)	-	-	-	-	78,240	78,240	(78,240)	-
BALANCE AT DECEMBER 31, 2021	\$ 830,000	\$ 638,654	\$ 111,379	\$ -	\$ 750,845	\$ 862,224	\$ 472,796	\$ 2,803,674

The accompanying notes are an integral part of the financial statements.

JMC ELECTRONICS CO., LTD.

STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 390,936	\$ 189,157
Adjustments for:		
Depreciation expense	340,601	276,445
Amortization expense	28,265	47,289
Net loss (gain) on financial assets at fair value through profit or loss	2,055	(553)
Finance costs	16,696	16,461
Interest income	(421)	(408)
Dividend income	(22,189)	(20,398)
Loss on disposal of property, plant and equipment	376	115
Impairment loss recognized on non-financial assets	2,913	1,732
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(1,955)	553
Accounts receivable	(53,904)	55,425
Accounts receivable - related parties	(19,601)	(5,095)
Other receivables	6	139
Inventories	(2,575)	53,769
Other current assets	31,842	3,394
Other financial assets	20,000	(19,986)
Contract liabilities	9,906	33,871
Accounts payable	(38,414)	9,912
Other payables	20,803	6,144
Other current liabilities	(23,626)	23,940
Net defined benefit liabilities	(211)	(195)
Cash generated from operations	<u>701,503</u>	<u>671,711</u>
Interest received	421	408
Dividends received	22,189	20,398
Interest paid	(15,948)	(16,901)
Income taxes paid	<u>(40,457)</u>	<u>(50,229)</u>
Net cash generated from operating activities	<u>667,708</u>	<u>625,387</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(228,470)	(227,990)
Proceeds from disposal of financial assets at fair value through other comprehensive income	155,874	97,854
Acquisition of property, plant and equipment	(251,313)	(517,612)
Increase in refundable deposits	-	(75)
Increase in other non-current assets	<u>(32,790)</u>	<u>(21,289)</u>
Net cash used in investing activities	<u>(356,699)</u>	<u>(669,112)</u>

(Continued)

JMC ELECTRONICS CO., LTD.

STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ 400,000	\$ 1,215,632
Repayment of short-term borrowings	(630,000)	(1,255,632)
Proceeds from short-term bills payable	200,000	500,000
Repayment of short-term bills payable	(200,000)	(500,000)
Proceeds from issuance of bonds	527,935	-
Proceeds from long-term borrowings	195,850	595,000
Repayment of long-term borrowings	(283,333)	(146,666)
Proceeds of guarantee deposits received	200	-
Repayment of the principal portion of lease liabilities	(18,137)	(17,340)
Dividends paid	(124,500)	(200,000)
Capital reduction by cash	<u>-</u>	<u>(170,000)</u>
Net cash generated from financing activities	<u>68,015</u>	<u>20,994</u>
NET INCREASE (DECREASE) IN CASH	379,024	(22,731)
CASH AT THE BEGINNING OF THE YEAR	<u>286,386</u>	<u>309,117</u>
CASH AT THE END OF THE YEAR	<u>\$ 665,410</u>	<u>\$ 286,386</u>

The accompanying notes are an integral part of the financial statements.

(Concluded)

JMC Electronics Co., Ltd.
Comparison Table of “Procedure for Acquisition and Disposal of Assets” before and after Amendments

After	Before	Remarks
<p>Article 4. Price Determination Manner and Reference</p> <p>I. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1). Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2). Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3). Where any one of the following circumstances applies with respect to the professional</p>	<p>Article 4: Price Determination Manner and Reference</p> <p>I. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional</p>	<p>Amendment in accordance with legislative amendment by the competent authority and requirements of the Company's actual operation.</p>

After	Before	Remarks
<p>appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>(4). No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>II. In acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public</p>	<p>appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged <u>to proceed in accordance with Audit Standards No. 20 published by the Accounting Research and Development Foundation (hereinafter the "Foundation")</u> and to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>i) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>II In acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public</p>	

After	Before	Remarks
<p>accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>III. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>IV. The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Article 7, paragraph 1, subparagraph 5 herein, and "within the preceding year" as used herein refers to the</p>	<p>accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the certified public accountant needs to adopt an expert report, it shall follow Audit Standards No. 20 published by the Accounting Research and Development Foundation.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>III Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. <u>The certified public accountant shall follow Audit Standards No. 20 published by the Accounting Research and Development Foundation.</u></p> <p>IV The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Article 7, paragraph 1, subparagraph 5 herein, and "within the preceding year" as used herein refers to the</p>	

After	Before	Remarks
<p>year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>V. When the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>VI. In engaging in derivatives trading, reference shall be made to the transaction status of the futures market and the trend of exchange rate and interest rate. The price shall be determined in accordance with chapter 3 of this Procedure.</p> <p>VII. In engaging in merger, demerger, acquisition or transfer of shares, the nature of the target company's business, net value per share, asset value, technology and profitability, production capacity and future growth potential shall be taken into consideration. The price shall be determined in accordance with chapter 4 of this Procedure.</p>	<p>year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>V When the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>VI In engaging in derivatives trading, reference shall be made to the transaction status of the futures market and the trend of exchange rate and interest rate. The price shall be determined in accordance with chapter 3 of this Procedure.</p> <p>VII In engaging in merger, demerger, acquisition or transfer of shares, the nature of the target company's business, net value per share, asset value, technology and profitability, production capacity and future growth potential shall be taken into consideration. The price shall be determined in accordance with chapter 4 of this Procedure.</p>	
<p>Article 7: Information Publication</p> <p>I. Items subject to publication/filing and publication/filing threshold:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or when acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds</p>	<p>Article 7: Information Publication</p> <p>I. Items subject to publication/filing and publication/filing threshold:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or when acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds</p>	<p>Amendment in accordance with legislative amendment by the competent authority and requirements of the Company's actual operation.</p>

After	Before	Remarks
<p>under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(2) Merger, demerger, acquisition or transfer of shares.</p> <p>(3) Derivatives trading with losses reaching the loss limit amount of all or individual contracts fixed under the Procedure.</p> <p>(4) Acquisition or disposal of equipment for business use of the right-of-use assets thereof where the transaction counterparty is not a related party and the transaction amount reaches one of the following:</p> <ol style="list-style-type: none"> 1. If the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. If the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(5) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership%ages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>(6) Where an asset transaction</p>	<p>under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(2) Merger, demerger, acquisition or transfer of shares.</p> <p>(3) Derivatives trading with losses reaching the loss limit amount of all or individual contracts fixed under the Procedure.</p> <p>(4) Acquisition or disposal of equipment for business use of the right-of-use assets thereof where the transaction counterparty is not a related party and the transaction amount reaches one of the following:</p> <ol style="list-style-type: none"> 1. If the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. If the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(5) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership%ages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>(6) Where an asset transaction</p>	

After	Before	Remarks
<p>other than any of those referred to in the preceding five subparagraphs, an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u> 2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>(7) The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, 	<p>other than any of those referred to in the preceding five subparagraphs, an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds. 2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>(7) The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, 	

After	Before	Remarks
<p>respectively) of the same security within the preceding year. "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedure need not be counted toward the transaction amount.</p> <p>II. Deadline for Publication/Filing In acquiring or disposing of assets meeting the above paragraph and with transaction amount over the publication/filing threshold, the Company shall publicly announce and report the relevant information within 2 days counting inclusively from the date of occurrence of the event in accordance with the law.</p> <p>III. Procedure for Publication/Filing (1) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>(2) At the time of public announcement, if the Company makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p>	<p>respectively) of the same security within the preceding year. "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedure need not be counted toward the transaction amount.</p> <p>II. Deadline for Publication/Filing In acquiring or disposing of assets meeting the above paragraph and with transaction amount over the publication/filing threshold, the Company shall publicly announce and report the relevant information within 2 days counting inclusively from the date of occurrence of the event in accordance with the law.</p> <p>III. Procedure for Publication/Filing (1) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>(2) At the time of public announcement, if the Company makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p>	

After	Before	Remarks
<p>(3) In acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>(4) Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. 	<p>(3) In acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>(4) Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. 	
<p>Article 11: Resolution Procedure When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets</p>	<p>Article 11: Resolution Procedure When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets</p>	<p>Amendment in accordance with legislative amendment by the competent authority and requirements of the</p>

After	Before	Remarks
<p>thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to the audit committee and approved by the board of directors:</p> <ol style="list-style-type: none"> I. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. II. The reason for choosing the related party as a transaction counterparty. III. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal 	<p>thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to the audit committee and approved by the board of directors:</p> <ol style="list-style-type: none"> I. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. II. The reason for choosing the related party as a transaction counterparty. III. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal 	<p>Company's actual operation.</p>

After	Before	Remarks
<p>of the reasonableness of the preliminary transaction terms in accordance with Article 12 or Article 13 of this Procedure.</p> <p>IV. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>V. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>VI. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>VII. Restrictive covenants and other important stipulations associated with the</p>	<p>of the reasonableness of the preliminary transaction terms in accordance with Article 12 or Article 13 of this Procedure.</p> <p>IV. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>V. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>VI. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>VII. Restrictive covenants and other important stipulations associated with the</p>	

After	Before	Remarks
<p data-bbox="384 250 560 282">transaction.</p> <p data-bbox="309 1140 671 2065">With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 5 of this procedure delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors</p>	<p data-bbox="935 250 1110 282">transaction.</p> <p data-bbox="869 291 1232 2065">The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 7, paragraph 1, subparagraph 7 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors in accordance with this Procedure need not be counted toward the transaction amount. With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 5 of this procedure delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors</p>	

After	Before	Remarks
<p>meeting:</p> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of real property right-of-use assets held for business use.</p> <p><u>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10% or more of the Company's total assets, the Company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts</p>	<p>meeting:</p> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of real property right-of-use assets held for business use</p>	

After	Before	Remarks
<p>referred to in <u>paragraph 1 and</u> the preceding paragraph shall be made in accordance with Article 7, paragraph 1, subparagraph 7 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the <u>shareholders meeting and</u> board of directors in accordance with this Procedure need not be counted toward the transaction amount</p>		
<p>Article 24: Other Matters of Caution I. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of</p>	<p>Article 24: Other Matters of Caution I. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust,</p>	<p>Amendment in accordance with legislative amendment by the competent authority and requirements of the Company's actual operation.</p>

After	Before	Remarks
<p>trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related party or de facto related party of any party to the transaction.</p> <p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of the industry associations to which they belong and</u> with the following provisions:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected,</p>	<p>embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related party or de facto related party of any party to the transaction.</p> <p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When auditing a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected,</p>	

After	Before	Remarks
<p>and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</p> <p>II. If the Company's acquisition or disposal of assets is subject to approval by the board of directors in accordance with this Procedure or other legal requirements, and if any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the audit committee. In addition, when the transaction for the acquisition and disposal of assets is submitted for discussion by the board of directors pursuant to the Procedure, the board of directors shall take into full consideration each independent</p>	<p>and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the completeness, correctness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and correct, and that they have complied with applicable laws and regulations.</p> <p>II. If the Company's acquisition or disposal of assets is subject to approval by the board of directors in accordance with this Procedure or other legal requirements, and if any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the audit committee. In addition, when the transaction for the acquisition and disposal of assets is submitted for discussion by the board of directors pursuant to the Procedure, the board of directors shall take into full consideration each independent</p>	

After	Before	Remarks
<p>director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.</p> <p>III. Major asset transaction or other matters subject to approval by the audit committee in accordance with the law shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution. If approval of one-half or more of all audit committee members is not obtained, the matter may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	<p>director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.</p> <p>III. Major asset transaction or other matters subject to approval by the audit committee in accordance with the law shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution. If approval of one-half or more of all audit committee members is not obtained, the matter may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	
<p>Article 25: Implementation and Amendment</p> <p>The establishment of or amendment to this Procedure shall be subject to approval by one-half of all audit committee members and submitted to the board of directors for resolution. If approval of one-half or more of all audit committee members is not obtained, it may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</p>	<p>Article 25: Implementation and Amendment</p> <p>The establishment of or amendment to this Procedure shall be subject to approval by one-half of all audit committee members and submitted to the board of directors for resolution. If approval of one-half or more of all audit committee members is not obtained, it may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</p>	<p>Date of this amendment is added</p>

After	Before	Remarks
<p>Following approval by the board of directors, it shall be implemented following approval by the shareholders meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the shareholders meeting. The same shall be applicable to any amendment.</p> <p>The terms "all audit committee members" and "all directors" in this article shall be counted as the actual number of persons currently holding those positions.</p> <p>In addition, when this Procedure is submitted to the board of directors for discussion in accordance with the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.</p> <p>This Procedure was established on 6 August 2014.</p> <p>The first amendment was made on 12 May 2015. The second amendment was made on 2 October 2015. The third amendment was made on 11 May 2017. The fourth amendment was made on 11 June 2019. The fifth amendment was made on 1 July 2021.</p> <p><u>The sixth amendment was made on 9 June 2022.</u></p>	<p>Following approval by the board of directors, it shall be implemented following approval by the shareholders meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the shareholders meeting. The same shall be applicable to any amendment.</p> <p>The terms "all audit committee members" and "all directors" in this article shall be counted as the actual number of persons currently holding those positions.</p> <p>In addition, when this Procedure is submitted to the board of directors for discussion in accordance with the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.</p> <p>This Procedure was established on 6 August 2014.</p> <p>The first amendment was made on 12 May 2015. The second amendment was made on 2 October 2015. The third amendment was made on 11 May 2017. The fourth amendment was made on 11 June 2019. The fifth amendment was made on 1 July 2021.</p>	

JMC Electronics Co., Ltd
Comparison Table of “Articles of Incorporation” before and after
Amendments

After	Before	Remarks
<p>Article 12: Shareholders meetings shall be convened by the board of directors and shall be chaired by the chairman of the board of directors. If the chairman is on leave or unable to perform his duties, <u>the vice chairman shall act as the chair. If the vice chairman is also on leave or cannot perform his duties,</u> the chairman shall designate on director to act as the chair. If the chairman does not make such designation, the directors shall elect one person from among themselves to act as the chair. If the meeting is convened by any person entitled to convene the meeting other than the board of directors, such person who has convened the meeting shall act as the chair. If the meeting is convened by two or more persons, they shall elect one person from among themselves to act as the chair.</p>	<p>Article 12: Shareholders meetings shall be convened by the board of directors and shall be chaired by the chairman of the board of directors. If the chairman is on leave or unable to perform his duties, the chairman shall designate on director to act as the chair. If the chairman does not make such designation, the directors shall elect one person from among themselves to act as the chair. If the meeting is convened by any person entitled to convene the meeting other than the board of directors, such person who has convened the meeting shall act as the chair. If the meeting is convened by two or more persons, they shall elect one person from among themselves to act as the chair.</p>	<p>Amendment in accordance with the Company’s operation planning.</p>
<p>Article 17: The meetings of the board of directors shall be organized by the directors. One person shall be elected as chairman by the majority of directors from among themselves attending a meeting that is attended</p>	<p>Article 17: The meetings of the board of directors shall be organized by the directors. One person shall be elected as chairman by the majority of directors from among themselves attending a</p>	<p>Amendment in accordance with the Company’s operation planning.</p>

After	Before	Remarks
<p>by 2/3 or more directors <u>and the directors may also elect one vice chairman from among themselves.</u> The chairman acts as the Company's representative.</p>	<p>meeting that is attended by 2/3 or more directors. The chairman acts as the Company's representative.</p>	
<p>Article 28: These Articles of Association were established on 21 September 1973.</p> <p>The first amendment was made on 15 May 1974.</p> <p>The second amendment was made on 5 October 1974.</p> <p>The third amendment was made on 1 February 1983.</p> <p>The fourth amendment was made on 1 August 1983.</p> <p>The fifth amendment was made on 16 September 1987.</p> <p>The sixth amendment was made on 25 February 1988.</p> <p>The seventh amendment was made on 30 September 1989.</p> <p>The eighth amendment was made on 22 December 1992.</p> <p>The ninth amendment was made on 5 November 1994.</p> <p>The tenth amendment was made on 25 February 1995.</p> <p>The eleventh amendment was made on 20 November 1995.</p> <p>The twelfth amendment was made on 1 March 1996.</p> <p>The thirteenth amendment was made on 1 January 1997.</p> <p>The fourteenth amendment was made on 4 May 1998.</p> <p>The fifteenth amendment was made on 2 May 2000.</p> <p>The sixteenth amendment was made on 7 June 2000.</p> <p>The seventeenth amendment was made on 21 August 2001.</p> <p>The eighteenth amendment was made on 19 November 2001.</p> <p>The nineteenth amendment was made on 9 December 2002.</p>	<p>Article 28: These Articles of Association were established on 21 September 1973.</p> <p>The first amendment was made on 15 May 1974.</p> <p>The second amendment was made on 5 October 1974.</p> <p>The third amendment was made on 1 February 1983.</p> <p>The fourth amendment was made on 1 August 1983.</p> <p>The fifth amendment was made on 16 September 1987.</p> <p>The sixth amendment was made on 25 February 1988.</p> <p>The seventh amendment was made on 30 September 1989.</p> <p>The eighth amendment was made on 22 December 1992.</p> <p>The ninth amendment was made on 5 November 1994.</p> <p>The tenth amendment was made on 25 February 1995.</p> <p>The eleventh amendment was made on 20 November 1995.</p> <p>The twelfth amendment was made on 1 March 1996.</p> <p>The thirteenth amendment was made on 1 January 1997.</p> <p>The fourteenth amendment was made on 4 May 1998.</p> <p>The fifteenth amendment was made on 2 May 2000.</p> <p>The sixteenth amendment was made on 7 June 2000.</p> <p>The seventeenth amendment was made on 21 August 2001.</p> <p>The eighteenth amendment was made on 19 November 2001.</p> <p>The nineteenth amendment was made on 9 December 2002.</p>	<p>Date of this amendment is added.</p>

After	Before	Remarks
<p>The twentieth amendment was made on 13 October 2003.</p> <p>The twenty-first amendment was made on 28 November 2003.</p> <p>The twenty-second amendment was made on 10 May 2006.</p> <p>The twenty-third amendment was made on 5 September 2006.</p> <p>The twenty-fourth amendment was made on 8 January 2013.</p> <p>The twenty-fifth amendment was made on 24 June 2013.</p> <p>The twenty-sixth amendment was made on 31 March 2014.</p> <p>The twenty-seventh amendment was made on 8 October 2014.</p> <p>The twenty-eighth amendment was made on 12 May 2015.</p> <p>The twenty-ninth amendment was made on 2 October 2015.</p> <p>The thirtieth amendment was made on 10 May 2016.</p> <p>The thirty-first amendment was made on 10 June 2021.</p> <p><u>The thirty-second amendment was made on 9 June 2022.</u></p>	<p>The twentieth amendment was made on 13 October 2003.</p> <p>The twenty-first amendment was made on 28 November 2003.</p> <p>The twenty-second amendment was made on 10 May 2006.</p> <p>The twenty-third amendment was made on 5 September 2006.</p> <p>The twenty-fourth amendment was made on 8 January 2013.</p> <p>The twenty-fifth amendment was made on 24 June 2013.</p> <p>The twenty-sixth amendment was made on 31 March 2014.</p> <p>The twenty-seventh amendment was made on 8 October 2014.</p> <p>The twenty-eighth amendment was made on 12 May 2015.</p> <p>The twenty-ninth amendment was made on 2 October 2015.</p> <p>The thirtieth amendment was made on 10 May 2016.</p> <p>The thirty-first amendment was made on 10 June 2021.</p>	

JMC Electronics Co., Ltd
Comparison Table of “Rules of Procedure for Shareholders Meetings”before and after Amendments

After	Before	Remarks
<p>Article 5 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors in person and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If the chairman is on leave or unable to perform his duties, <u>the vice chairman shall act as the chair. If the vice chairman is also on leave or cannot perform his duties,</u> the chairman shall designate on director to act as the chair. If the chairman does not make such designation, the directors shall elect one person from among themselves to act as the chair. When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.</p> <p>If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</p>	<p>Article 5 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors in person and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If the chairman is on leave or unable to perform his duties, the chairman shall designate on director to act as the chair. If the chairman does not make such designation, the directors shall elect one person from among themselves to act as the chair. When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.</p> <p>If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</p>	<p>Amendment in accordance with the Company’s operation planning.</p>

After	Before	Remarks
<p>Article 22</p> <p>The establishment of these Rules was approved by the board of directors on 25 March 2015 and implemented following approval by the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment.</p> <p>The second amendment was approved by the board of directors on 5 August 2015 and implemented following approval by extraordinary shareholders meeting on 2 October 2015.</p> <p>The third amendment was approved by the board of directors on 11 March 2019 and implemented following approval by extraordinary shareholders meeting on 11 June 2019.</p> <p>The fourth amendment was approved by the board of directors on 16 March 2020 and implemented following approval by extraordinary shareholders meeting on 10 June 2020.</p> <p>The fifth amendment was approved by the board of directors on 18 March 2021 and implemented following approval by extraordinary shareholders meeting on 10 June 2021.</p> <p><u>The sixth amendment is proposed to be approved by the board of directors on 15 March 2022 and implemented following approval by the shareholders meeting on 9 June 2022.</u></p>	<p>Article 22</p> <p>The establishment of these Rules was approved by the board of directors on 25 March 2015 and implemented following approval by the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment.</p> <p>The second amendment was approved by the board of directors on 5 August 2015 and implemented following approval by extraordinary shareholders meeting on 2 October 2015.</p> <p>The third amendment was approved by the board of directors on 11 March 2019 and implemented following approval by extraordinary shareholders meeting on 11 June 2019.</p> <p>The fourth amendment was approved by the board of directors on 16 March 2020 and implemented following approval by extraordinary shareholders meeting on 10 June 2020.</p> <p>The fifth amendment was approved by the board of directors on 18 March 2021 and implemented following approval by extraordinary shareholders meeting on 10 June 2021.</p>	<p>Date of this amendment is added.</p>

【Appendix】

JMC Electronics Co., Ltd
Articles of Incorporation
(before amendment)

Chapter 1 General

- Article 1. The Company is organized as a stock limited company in accordance with the Company Act and is named JMC Electronics Co., Ltd.
- Article 2. The Company operates the following businesses:
(1). CC01080 Electronic parts and components manufacturing business.
(2). F401010 International trade business
(3). F119010 Electronic materials wholesale business
(4). ZZ99999 Other business that is not prohibited or restricted by law, except businesses that require approvals.
- Article 3. The Company has its headquarters in Kaohsiung City and may set up domestic and overseas branch institutions as required through board resolutions.
- Article 4. The total amount of investment by the Company is not limited to 40% of its paid-in capital.
- Article 5. The Company may provide guarantees as required for its business in accordance with the law and the Company's endorsement and guarantee procedures.
- Article 6. The Company makes public announcements in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 7. The Company's total capital is 1,500,000,000 NT Dollars, divided into 15,000,000 shares at NT\$10 per share, to be issued through multiple issuances.
If the Company issues warrants with a subscription price below market price (net value per share), the issuance shall be subject to the approval by shareholders representing 2/3 or more voting rights represented in a meeting that is attended by shareholders representing the majority of all outstanding shares.
- Article 8. The share certificates of the Company shall be numbered, affixed with the signatures or seals of 3 or more directors and issued after certification by the competent authority or the issuance registration institution approved by the competent authority.
After the Company's shares are listed, it shall no longer be obliged to issue share certificates, including other securities, provided that registration shall be made with centralized securities custodian institutions.
After the Company is listed, if it wishes to withdraw from listing, it shall be subject to shareholders resolution. This clause shall not be amended during the period of its listing in the emerging market or stock exchange (OTC market).
Share transfer registration shall be made in accordance with Article 165 of the Company Act.
Shareholder services of the Company shall be handled in accordance with securities related legislations, as well as the Regulations Governing the Administration of Shareholder Services of Public Companies.

Chapter 3 Shareholders Meetings

- Article 9. Shareholders meetings are divided into general meetings and extraordinary meetings. General meetings are convened once a year in accordance with the law within 6 months from the end of each accounting year. Extraordinary meetings are convened as required.
- Unless otherwise provided by the law, shareholders meetings shall be convened by the board of directors. With the consent of the shareholders, shareholders meetings may be convened in electronic manners.
- The Company convenes and makes public announcements about shareholders meetings in accordance with Article 172 of the Company Act.
- Unless otherwise provided by the Company Act, shareholders resolutions shall be approved by shareholders representing the majority of voting shares represented in a meeting that is attended by the shareholders representing the majority of all outstanding shares.
- Unless otherwise provided by the law, shareholders of the Company are entitled to one vote per share.
- Article 10. Unless otherwise provided by the Company Act, shareholders resolutions shall be approved by shareholders representing the majority of voting shares represented in a meeting that is attended by the shareholders representing the majority of all outstanding shares.
- Unless otherwise provided by the law, shareholders of the Company are entitled to one vote per share.
- Article 11. Any shareholder who cannot attend a shareholders meeting may, in accordance with Article 177 of the Company Act, issue a proxy printed by the Company, specifying the scope of authorization, to designate a representative to attend the meeting on its behalf. After the Company's shares are listed, the rules of shareholder attendance by proxy shall, unless otherwise provided by the Company Act, be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- When the Company convenes a shareholders meeting, voting shall take place in written or electronic manners. After the Company is listed on a stock exchange (OTC market), the electronic manner shall be listed as one of the manners for the exercise of shareholder voting rights. Shareholders who exercise their voting rights in the electronic manner shall be deemed to have attended the meeting in person. Relevant matters shall be handled in accordance with the law.
- Article 12. Shareholders meetings shall be convened by the board of directors and shall be chaired by the chairman of the board of directors. If the chairman is on leave or unable to perform his duties, the chairman shall designate on director to act as the chair. If the chairman does not make such designation, the directors shall elect one person from among themselves to act as the chair. If the meeting is convened by any person entitled to convene the meeting other than the board of directors, such person who has convened the meeting shall act as the chair.
- Article 13. Matters determined by shareholders meetings shall be recorded in minutes of the meetings and affixed with the signature or seal of the chair. The minutes shall be distributed to each shareholder within 20 days from the meeting. After the Company's shares are listed, such minutes may be prepared and distributed in electronic manners or through public announcements.

Chapter 4 Board of Directors

- Article 14. The Company has 7-9 directors, to be elected by shareholders meeting from a list of director candidates under the candidate nomination system provided under Article 192-1 of the Company Act. Directors shall serve terms of 3 years and the same person may be re-elected upon expiry of the term.
Among the above number of directors of the Company, there shall be at least 2 independent directors. The number of independent directors shall represent at least 1/5 of the board seats. Independent directors shall be elected by shareholders meeting from a list of independent director candidates. The professional qualifications, shareholding, restriction on other positions, nomination, determination of independence and other compliance matters related to independent directors shall be in accordance with the Company Act, the Securities and Exchange Act and the regulations of the securities competent authority.
- Article 15. The Company may set up an audit committee in accordance with Article 14-4 of the Securities and Exchange Act, which shall be formed by all independent directors. The composition of the audit committee of the Company, its duties, rules for its meetings and other compliance matters shall be in accordance with applicable regulations of the securities competent authority.
As required for carrying out its activities, the board of directors of the Company may set up a remuneration committee or other functional committees.
- Article 16. Directors of the Company shall be elected by accumulated voting. Each share shall be entitled to the same number of votes as the number of directors to be elected, which may be all casted for the same candidate or distributed among multiple candidates. Those who have received most votes shall be elected as directors.
- Article 17. The board of directors is organized by the directors. A chairman shall be elected by the directors from among themselves by the majority of directors attending a meeting that is attended by 2/3 or more of the directors. The chairman is the Company's representative.
- Article 18. When the chairman is on leave or cannot perform his duties, the representation shall be in accordance with Article 208 of the Company Act.
- Article 19. Unless otherwise provided by the Company Act, board meetings shall be convened by the chairman. To convene a board meeting of the Company, a notice shall be given to each director in writing, by email or by fax 7 days in advance. In case of emergency, the Company may convene board meetings at any time in writing, by email or by fax.
Unless otherwise provided by the Company Act, board resolutions shall be approved by the majority of directors attending a meeting that is attended by the majority of all directors.
- Article 20. Any director who cannot attend a board meeting may issue a written power of attorney for another director to attend the meeting on his behalf in accordance with the law. Each representative shall represent no more than one other director. Any director participating in a meeting through video conference shall be deemed to have attended the meeting in person.
- Article 21. The board of directors is authorized to determine remuneration for directors of the Company based on the level of participation in the Company's operation and the value of their contribution, in reference to the common standards of the industry.
As required, the board of directors may purchase liability insurance for all directors during their terms with the approval of the majority of directors attending a meeting that is attended by the majority of all directors.

Chapter 5 Officers

Article 22. The Company may have officers, the hiring, dismissal and remuneration of which shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 23. The Company's accounting year is from 1 January to 31 December of each year. At the end of each accounting year, the board of directors shall prepare the following statements and submit them to the audit committee 30 days before the general shareholders meeting for its audit. Alternatively, the audit committee may engage an accountant to perform audit and issue a report, which shall be submitted to the general shareholders meeting for approval.

Business report.

Financial statements.

Profit distribution or loss compensation proposal.

Article 24. If the Company has profit in a year, 2-16% shall be provisioned as employee remuneration, which shall be distributed in shares or in cash through board resolution. The target of distribution may include employees of subsidiaries who meet certain conditions. Among the above profit amount of the Company, the board of directors may resolve to provision no more than 1% as director remuneration. Proposal for employee and director remuneration shall be reported to the shareholders meeting.

If the Company still has accumulated losses, the amount to compensate the losses shall first be provisioned before provision for employee and director remuneration in accordance with the ratios under the previous paragraph.

Article 25. If the Company has profit in annual closing, taxes shall first be paid and past losses shall be compensated. Then 10% shall be provisioned as legal reserve until the legal reserve reaches the total capital amount of the Company. After special reserve is provisioned or recycled in accordance with the requirements of the competent authority, the remaining amount, together with undistributed profit accumulated from prior years and adjustment of non-distributed amount for the current year, shall be distributable profit. The profit distribution proposal shall be prepared by the board of directors and submitted to the shareholders meeting for resolution, followed by distribution.

Article 26. In consideration of the Company's overall environment and growth features of its industry, in accordance with the Company's long-term financial planning and in order to seek sustainable operation and stable operational development, the dividend policy is a policy of remaining dividend. In principle, the Company's annual funding requirements are evaluated based on its future capital spending plan. Working capital funds required shall be reserved in priority and only the remaining profit shall be distributed as cash dividend or stock dividend. The distribution steps are as follows:

Determine best capital budget.

Determine working capital funds required to meet the capital budget under the previous subparagraph.

Determine how much reserved profit is required to meet the working capital requirements.

After a proper amount of reserve is made as required for operation, the remaining profit may be distributed to shareholders as dividend, provided that the remaining amount of distribution shall not be less than 10% of the Company's accumulated

distributable profit in the year and cash dividend shall not be less than 10% of the total amount of dividend contemplated for distribution.

Chapter 7 Miscellaneous

Article 27. Anything that is not provided in these Articles of Association shall be handled in accordance with the Company Act and other applicable laws.

Article 1. These Articles of Association were established on 21 September 1973.

The first amendment was made on 15 May 1974.

The second amendment was made on 5 October 1974.

The third amendment was made on 1 February 1983.

The fourth amendment was made on 1 August 1983.

The fifth amendment was made on 16 September 1987.

The sixth amendment was made on 25 February 1988.

The seventh amendment was made on 30 September 1989.

The eighth amendment was made on 22 December 1992.

The ninth amendment was made on 5 November 1994.

The tenth amendment was made on 25 February 1995.

The eleventh amendment was made on 20 November 1995.

The twelfth amendment was made on 1 March 1996.

The thirteenth amendment was made on 1 January 1997.

The fourteenth amendment was made on 4 May 1998.

The fifteenth amendment was made on 2 May 2000.

The sixteenth amendment was made on 7 June 2000.

The seventeenth amendment was made on 21 August 2001.

The eighteenth amendment was made on 19 November 2001.

The nineteenth amendment was made on 9 December 2002.

The twentieth amendment was made on 13 October 2003.

The twenty-first amendment was made on 28 November 2003.

The twenty-second amendment was made on 10 May 2006.

The twenty-third amendment was made on 5 September 2006.

The twenty-fourth amendment was made on 8 January 2013.

The twenty-fifth amendment was made on 24 June 2013.

The twenty-sixth amendment was made on 31 March 2014.

The twenty-seventh amendment was made on 8 October 2014.

The twenty-eighth amendment was made on 12 May 2015.

The twenty-ninth amendment was made on 2 October 2015.

The thirtieth amendment was made on 10 May 2016.

The thirty-first amendment was made on 10 June 2021.

JMC Electronics Co., Ltd.
Chairman: Huang, Chia-Nen

JMC Electronics Co., Ltd.
Rules of Procedure for Shareholders Meetings (before amendment)

Article 1. To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules

Article 2. Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby, and shall also be distributed on-site at the shareholders meeting.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one% or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, unless the proposal is a recommendation for urging the Company to promote public interests or fulfill its social responsibilities. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder,

the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences.

Shareholders or proxies (collectively "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. However, the exercise of voting rights shall still be calculated based on the number of shares held on consolidated basis. If there are two or more representatives, the voting rights exercised by the representatives shall be exercised in a joint manner.

Attendance and voting at a shareholders meeting shall be calculated based the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and shall make an express disclosure of the same at the place of the shareholders meeting.

Article 3. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope

of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 4. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 5. It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors in person and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If the chairman is on leave or unable to perform his duties, the chairman shall designate on director to act as the chair. If the chairman does not make such designation,

the directors shall elect one person from among themselves to act as the chair. When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 6. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 7. The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures, which shall be retained, together with the attendance book and solicitations, for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 8. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

When the attending shareholders represent a majority of the total number of issued shares, the chair may call the meeting to order. However, if the required quorum is not met at the appointed meeting time, the chair may announce a postponement, for a combined total of no more than one hour. If the quorum is not met after two postponements but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act (tentative resolution with majority votes represented in a meeting); all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent the quorum required, the chair may immediately call the meeting to order and resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

However, if the chair declares the meeting adjourned in violation of the rules of procedure, the attending shareholders may elect a new chair with a majority of the votes they represent and then continue the meeting.

After a meeting is adjourned, no shareholder shall elect another chair to continue the meeting in the same address or any other location.

Article 10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 3 minutes. An extension of 2 minutes may be granted by the chair and no more than one extension shall be granted.

If the shareholder's speech violates the rules and exceeds the time under the preceding paragraph, exceeds the scope of the agenda item or jeopardizes the meeting order, the chair may stop the speech. If the violation continues, the chair may terminate the speech.

Article 12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Article 13. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14. When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded in minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations of the competent authority, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16. When a meeting is in progress, the chair may announce a break based on time considerations. The chair may also rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Article 17. Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of vote, if the chair enquire all persons present and if there is no dissenting opinion, the proposal shall be deemed approved with the same effect as approval by votes.

At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 18. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor".

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 20. When a meeting is in progress, the chair may and if a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Article 21. If a shareholders meeting cannot be held on the notified date or if the meeting cannot be continued during its proceeding, the chair of the relevant meeting is authorized to pass a resolution to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 22. The establishment of these Rules was approved by the board of directors on 25 March 2015 and implemented following approval by the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment.

The second amendment was approved by the board of directors on 5 August 2015 and implemented following approval by extraordinary shareholders meeting on 2 October 2015.

The third amendment was approved by the board of directors on 11 March 2019 and implemented following approval by extraordinary shareholders meeting on 11 June 2019.

The fourth amendment was approved by the board of directors on 16 March 2020 and implemented following approval by extraordinary shareholders meeting on 10 June 2020.

The fifth amendment was approved by the board of directors on 18 March 2021 and implemented following approval by extraordinary shareholders meeting on 10 June 2021.

JMC Electronics Co., Ltd
Procedures for Acquisition and Disposal of Assets (before amendment)

Chapter 1 General

Article 1. Purpose and Basis

In order to protect investment and implement information transparency, this Procedure is established in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies established by the Financial Supervisory Commission. Anything that is not provided in this Procedure shall be governed by applicable laws.

Article 2. Scope of Application

The term "assets" as used in this Procedure includes the following:

1. Securities: Including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property) and equipment.
3. Memberships.
4. Intangible Assets: Including patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets.

Article 3. Evaluation and Procedure

1. Investment in long-term or short-term securities or derivatives trading by the Company is subject to evaluation report to be submitted by the department seeking the investment and shall only be implemented after approval is acquired from the organ with approval authority.
2. If any department of the Company needs to acquire or dispose of real property, other assets or the right-of-use assets thereof as required for its business, the application department shall, based on the actual requirements or by submitting a project proposal with grounds, complete careful evaluation through price enquiry, price comparison or price negotiation procedure and submit relevant information, copying the relevant departments, to seek approval in accordance with the approval authority established by the Company. Important matters listed in Article 185 of the Company Act shall be submitted to the shareholders meeting for approval.
3. When the Company acquires or disposes of membership, intangible assets or the right-of-use assets thereof, the application department shall refer to an expert evaluation report or fair market price and submit the transaction terms or transaction price to seek approval in accordance with the Company's approval authority for acquisition of fixed assets.

4. Any transaction between the Company and a related party shall be governed by Chapter 2 of this Procedure; any merger, demerger, acquisition or transfer of shares shall be governed by applicable provisions of Chapter 4 of this Procedure.

Article 4. Price Determination Manner and Reference

1. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
 - (1). Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
 - (2). Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
 - (3). Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to proceed in accordance with Audit Standards No. 20 published by the Accounting Research and Development Foundation (hereinafter the "Foundation") and to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (a) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 - (b) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
 - (4). No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser
2. In acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the certified public accountant needs to adopt an expert report, it shall follow Audit Standards No. 20 published by the Accounting Research and Development Foundation. This requirement does not apply, however, to publicly quoted prices of

securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. The certified public accountant shall follow Audit Standards No. 20 published by the Accounting Research and Development Foundation.
4. The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Article 7, paragraph 1, subparagraph 5 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
5. When the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.
6. In engaging in derivatives trading, reference shall be made to the transaction status of the futures market and the trend of exchange rate and interest rate. The price shall be determined in accordance with chapter 3 of this Procedure.
7. In engaging in merger, demerger, acquisition or transfer of shares, the nature of the target company's business, net value per share, asset value, technology and profitability, production capacity and future growth potential shall be taken into consideration. The price shall be determined in accordance with chapter 4 of this Procedure.

Article 5. Authorized Amount and Authorization Level

When the Company acquires or disposes of assets, the responsible executive shall make decisions within below scope of authorization in accordance with the provisions about fixed asset and investment procedures under the Company's internal control system:

1. Fixed assets for business use and real property, other fixed assets or the right-of-use assets thereof not required for the Company's operation shall be approved by the board of directors, provided that the board of directors may authorize the chairman to make decisions below a certain amount in accordance with the Rules of Delegation of Job Duties.
2. Other important assets required for business, membership and intangible assets or the right-of-use assets thereof shall be approved by the board of directors, provided that the board of directors may authorize the chairman to make decisions below a certain amount in accordance with the Rules of Delegation of Job Duties.
3. Acquisition or disposal of securities investment shall be in accordance with the approval authorities under the Company's investment management regulations.
4. The total limit amount of real properties not for business use and the right-of-use assets thereof that may be purchased by the Company and each subsidiary individually and the limit investment amount in individual securities are subject to the following restrictions. In the calculation under

subparagraph (2), long-term investment in targets of which the Company participated in the investment and incorporation and or in which the Company serves as director or supervisor may be excluded.

- (1). Total amount of real properties not for business use and the right-of-use assets thereof shall not exceed 30% of the net value in each company's latest financial statements.
 - (2). Total amount of securities invested by the Company shall not exceed 500% of the net value in its latest financial statements. Total amount of securities invested by a subsidiary shall not exceed 500% of the net value in the financial statements of such subsidiary.
 - (3). Amount of individual securities invested by the Company shall not exceed 500% of the net value in its latest financial statements. Amount of individual securities invested by a subsidiary shall not exceed 500% of the net value in the financial statements of such subsidiary.
 - (4). Net amount of short-term investment by the Company and each subsidiary shall not exceed 30% of the net value in the latest financial statements of the relevant company.
5. When the Company engages in derivatives trading, other than in accordance with the growth of the Company's turnover and the changes in risk positions, security shall also be taken into consideration. For each transaction, the processing staff shall seek an initial approval signature from the responsible executive, which shall be further submitted to the president for approval before the transaction takes effect. Any amendment shall also be subject to the prior approval by the president. For timing consideration, the processing staff may acquire verbal consent from the responsible executive and the president to engage in the transaction, with the approval signature acquired afterwards. The relevant transaction limit amount shall be in accordance with the relevant provisions of Chapter 3 of this Procedure.
 6. For related-party transactions, relevant information shall be prepared in accordance with Chapter 2 of this Procedure and submitted to the board of directors for approval before engaging in the transaction.
 7. For merger, demerger, acquisition or transfer of shares, relevant procedure shall be carried out and relevant information shall be prepared in accordance with Chapter 4 of this Procedure, among which merger, demerger and acquisition shall be subject to prior approval by shareholders resolution, unless shareholder resolution is exempt in accordance with other laws. Transfer of shares shall be subject to prior approval by the board of directors.

Article 6. Execution Unit and Transaction Process Flow

When the Company acquires or disposes of assets, reports by level shall be filed in accordance with the following and submission shall be made as required to seek approval from the board of directors.

1. Acquisition or disposal of securities – President's office and finance department in accordance with the Company's investment management regulations.
2. Acquisition or disposal of real property and other fixed assets or the right-of-use assets thereof – The administration department or use unit shall conduct detailed market investigation and submit the investigation report and the appraisal result by professional appraisal institution to the president and chairman for approval.

3. When the Company acquires or disposes of membership or intangible assets or the right-of-use assets thereof, approval shall be acquired based on the approval authority and the user department and finance department or administration department shall be responsible for execution.
4. Derivatives trading – Due to the special nature of derivative transactions such as swift variation, significant amount, frequent transaction and complicated calculations, the finance department shall be responsible for the proceeding and management of transactions and confirmation and settlement tasks shall be undertaken by different staff.
5. For merger, demerger, acquisition or transfer of shares, the chairman shall designate the execution unit and such transactions shall be carried out in accordance with legal procedures.

Article 7. Information Publication

1. Items subject to publication/filing and publication/filing threshold:
 - (1).Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or when acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
 - (2).Merger, demerger, acquisition or transfer of shares.
 - (3).Derivatives trading with losses reaching the loss limit amount of all or individual contracts fixed under the Procedure.
 - (4).Acquisition or disposal of equipment for business use of the right-of-use assets thereof where the transaction counterparty is not a related party and the transaction amount reaches one of the following:
 - (a) If the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - (b) If the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
 - (5).Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership%ages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
 - (6).Where an asset transaction other than any of those referred to in the preceding five subparagraphs, an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
 - (a) Trading of domestic government bonds.
 - (b) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
 - (7).The amount of transactions above shall be calculated as follows:
 - (a) The amount of any individual transaction.

- (b) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
- (c) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
- (d) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedure need not be counted toward the transaction amount.

2. Deadline for Publication/Filing

In acquiring or disposing of assets meeting the above paragraph and with transaction amount over the publication/filing threshold, the Company shall publicly announce and report the relevant information within 2 days counting inclusively from the date of occurrence of the event in accordance with the law..

3. Procedure for Publication/Filing

- (1).The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.
- (2).At the time of public announcement, if the Company makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.
- (3).In acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.
- (4).Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:
 - (a) Change, termination, or rescission of a contract signed in regard to the original transaction.
 - (b) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 - (c) Change to the originally publicly announced and reported information.

Article 8. Control of Acquisition or Disposal of Assets by Subsidiaries:

- 1. Subsidiaries of the Company shall also establish a Procedure for Acquisition or Disposal of Assets in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies established by the

Financial Supervisory Commission and the Procedure for Acquisition or Disposal of Assets established by the parent company.

2. In acquiring or disposing of assets, each subsidiary of the Company shall follow the provisions of its own Internal Control System and Procedure for Acquisition or Disposal of Assets. Before the 5th day of each month, assets acquired or disposed of in the previous month and derivatives trading as of the end of the previous month shall be filed with the Company in writing. The Company's audit unit shall include subsidiaries procedures for acquisition or disposal of assets as one of the annual audit items. The audit status shall also be listed as a necessary item of audit activities to be reported to the board of directors.
3. When the acquisition or disposal of assets by any subsidiary of the Company reaches the threshold for publication or filing, the publication or filing shall be done by the parent company. The subsidiary shall give notice to the Company within one day from the date of occurrence of the event. The Company shall report to the parent company within one day from the date of occurrence of the event for publication and filing on the designated website. The paid-in capital or total assets of the parent company shall be the standard applicable to a subsidiary in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring publication or filing.

Article 9. Penalty

Any employee of the Company who processes acquisition or disposal of assets in breach of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies and this Procedure shall be submitted for sanction in accordance with the Company's personnel management regulations and penalty shall be imposed based on the level of gravity.

Chapter 2 Related-Party Transactions

Article 10. Determination Basis

When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in accordance with relevant provisions of this Procedure and the provisions of this Chapter, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of Article 4.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 4, paragraph 4.

Related party is defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 11. Resolution Procedure

When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of

assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to the audit committee and approved by the board of directors:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a transaction counterparty.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 12 or Article 13 of this Procedure.
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
7. Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 7, paragraph 1, subparagraph 7 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors in accordance with this Procedure need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 5 of this procedure delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use

Article 12. Evaluation of Reasonableness of Transaction Terms

Where the Company acquires real property or right-of-use assets thereof from a related part, unless the related party acquired the real property or right-of-use assets thereof through inheritance or as a gift, or more than 5 years have elapsed from the time the related party signed the contract to obtain the real property or

right-of-use assets thereof to the signing date for the current transaction, or the real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the Company's own land or on rented land, or the real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the reasonableness of the transaction cost shall be evaluated in the following manner and a CPA shall be asked to review and provide specific opinions:

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70% or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.
3. Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

Article 13. When Computed Transaction Cost is Lower than Transaction Price

When the results of appraisal conducted in accordance with the preceding Article are uniformly lower than the transaction price, unless any of the following circumstances exists, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, the matter shall be handled in compliance with paragraph 3.

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing

practices.

2. Where a public company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Where the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with Article 12 and the preceding two paragraphs are uniformly lower than the transaction price, and there is no circumstance listed under paragraph 1, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. The special reserve that has been set aside may not be utilized until the Company has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.
2. The audit committee shall comply with Article 218 of the Company Act.
3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

Chapter 3 Control of Derivatives Trading

Article 14. Transaction Principles and Guidelines

1. Transaction Types: Derivatives referred to in this Procedure means forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Operating or Hedging Strategies: The Company shall engage in derivatives trading for the purpose of avoiding operating risks and shall not engage in any

speculative transaction. The currencies of operation shall be limited to the foreign currencies received or paid for the Company's import/export business and required for business hedging.

3. Transaction Amount Limit: The total balance of the Company's overall hedging contracts at any time shall not exceed the hedging requirements generated from substantive transactions within a year. The balance of individual contract shall be limited to US\$2 Million or the equivalent in foreign currencies.
4. Overall and Individual Contract Loss Limit
 - (1) Hedging Transactions: Hedging transactions are those engaged in accordance with the Company's actual requirements and the risks are already controlled by prior evaluation. Therefore, the loss limit for overall or individual contract shall not exceed 10% of the overall transaction or individual contract.
 - (2) Non-Hedging Transactions: The Company shall not engage in any speculative trading.
5. Division of Duties
 - (1) Transaction Execution Staff: Responsible for collection of information and legislation related to derivatives, design of hedging strategies and disclosure of risks. Such staff shall also understand the Company's management policy and philosophy before executing transactions, make judgments about market trends and risks, prepare recommendation reports about positions and hedging manners in accordance with the Company's operating strategies and submit them to the authorized executive for prior approval before execution.
 - (2) Trade Confirmation Staff: Responsible for verifying correctness of transactions with dealing banks and affixing seals on trade confirmation forms and sending them back.
 - (3) Settlement Staff: Responsible for settlement of derivatives trades and regular inspection of cash flow status to ensure that the trading contracts established may be settled in time.
 - (4) Accounting Staff: Correctly and duly reflect in the financial statements relevant trades and loss and profit results in accordance with relevant regulations (Financial Accounting Standards, etc.)
6. Performance Evaluation Principles
 - (1) Operating performance of hedging trades shall be evaluated based on the hedging strategies. The finance department shall review operating performance every two weeks based on market price. The operating performance of the previous month shall be submitted to the president within the first week of every month.
 - (2) If the finance department discovers any anomaly during regular evaluation and review, necessary corresponding measures shall be undertaken immediately and a report shall be filed with the president.

Article 15. Risk Management Measures:

In engaging in derivatives trading, the Company's risk management scope and the risk management measures that should be undertaken are as follows:

1. Credit Risk Consideration: The Company shall only transact with its dealing banks or internationally reputable financial institutions that can provide professional information in principle.
2. Market Price Risk Consideration: Potential losses from derivatives due to future market price fluctuation are uncertain. Therefore, after the positions are established, stop loss points shall be strictly complied with.

3. Liquidity Risk Consideration: The Company shall engage in derivatives trading based on substantive transactions in order to ensure the capability to perform settlement obligations.
4. Cash Flow Risk Consideration: In addition to strict compliance with authorized limits, transaction execution staff shall pay due attention to the Company's cash flow to ensure sufficient cash for payment upon settlement.
5. Operating Risk Consideration: Each relevant staff shall execute relevant trades duly in accordance with the authorized amounts and procedures in order to avoid operating risk.
6. Legal Risk Consideration: Contracts signed with financial institutions shall be reviewed by legal staff before official signature in order to avoid legal risk.
7. Product Risk Consideration: Internal trading staff and dealing financial institutions shall possess full and correct professional knowledge about the financial products traded. Banks shall be asked to fully disclose the risks in order to avoid losses due to misuse of financial products.

Article 16. Internal Audit System

The internal audit personnel of the Company and the audit personnel of the parent company shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, a report shall be immediately submitted to the chairman and the senior executive designated by the board of directors and a written notice shall also be given to the audit committee.

Article 17. Regular Evaluation Manner and Handling of Anomalies

1. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.
2. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors. All unhedged positions shall be closely observed at all times.
3. The board of directors shall faithfully supervise and manage such trading in accordance with the following principles:
 - (1) Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
 - (2) Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.
4. Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:
 - (1) Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies established by the Financial Supervisory Commission and this Procedure for

engaging in derivatives trading formulated by the Company.

- (2) When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors. (After the Company establishes the position of independent director,) an independent director shall be present at the meeting and express an opinion.
- (3) The Company shall report to the soonest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with this Procedure.
5. In engaging in derivatives trading, the Company shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, regular evaluation reports and the matters required to be regularly evaluated by the board of directors and the senior executive authorized by the board of directors.
6. If the Company does not intend to engage in derivatives trading, it may, after obtaining the approval of the board of directors, be exempted from adopting procedures governing derivatives trading. If it subsequently wishes to engage in derivatives trading, it will still be required first to comply with the provisions of the preceding article and the preceding paragraph before doing so.

Chapter 4 Merger, Demerger, Acquisition or Transfer of Shares

Article 18. When the Company conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, it shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100% of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100% of the respective subsidiaries' issued shares or authorized capital.

Article 19. In participating in a merger, demerger, acquisition, or transfer of shares, the Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition, provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 20. In participating in a merger, demerger, or acquisition, the Company shall convene a board of directors meeting and shareholders meeting on the same day as the other participating companies to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance and grants consent.

In participating in a transfer of shares, the Company shall call a board of directors meeting on the same day as the other participating companies, unless another act provides otherwise or the FSC is notified in advance and grants consent.

In participating in a merger, demerger, acquisition, or transfer of another company's shares, the Company shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, the Company shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraphs 3 and 4.

Article 21. Share Swap Ratio and Purchase Price

In a merger, demerger, acquisition, or transfer of shares, the share exchange ratio or acquisition price shall not be arbitrarily changed unless under the below-listed circumstances, and the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares shall be stipulated:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, that affects the company's financial operations.
3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.

5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 22. Required Stipulations in Contracts

The contract for a merger, demerger, acquisition, or transfer of shares shall record the rights and obligations in accordance with the Company Act and applicable laws, and shall also record the following:

1. Handling of breach of contract.
2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
4. The manner of handling changes in the number of participating entities or companies.
5. Preliminary progress schedule for plan execution, and anticipated completion date.
6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 23. In participating in a merger, demerger, acquisition, or transfer of shares, the Company shall pay attention to the other remaining matters:

1. Ask all persons participating or with knowledge of the merger, demerger, acquisition, or transfer of shares to issue written confidentiality undertakings, committing not to disclose the details of the plan before publication, nor to sell or buy, either in their own names or in the names of any others, the stocks or other equity securities of any company related to the proposed merger, demerger, acquisition, or transfer of shares.
2. After the information about merger, demerger, acquisition, or transfer of shares is disclosed, if the Company intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.
3. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 20 of this Procedure and the preceding two subparagraphs.

Chapter 5 Other Important Matters

Article 24. Other Matters of Caution

1. Professional appraisers and their officers, certified public accounts, attorneys,

and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

- (1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
- (2) May not be a related party or de facto related party of any party to the transaction.
- (3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

- (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
 - (2) When auditing a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
 - (3) They shall undertake an item-by-item evaluation of the completeness, correctness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
 - (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and correct, and that they have complied with applicable laws and regulations.
2. If the Company's acquisition or disposal of assets is subject to approval by the board of directors in accordance with this Procedure or other legal requirements, and if any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the audit committee. In addition, when the transaction for the acquisition and disposal of assets is submitted for discussion by the board of directors pursuant to the Procedure, the board of directors shall take into full consideration each independent director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.
 3. Major asset transaction or other matters subject to approval by the audit committee in accordance with the law shall be approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution.
If approval of one-half or more of all audit committee members is not obtained,

the matter may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting. The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 25. Implementation and Amendment

The establishment of or amendment to this Procedure shall be subject to approval by one-half of all audit committee members and submitted to the board of directors for resolution. If approval of one-half or more of all audit committee members is not obtained, it may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting. Following approval by the board of directors, it shall be implemented following approval by the shareholders meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the shareholders meeting. The same shall be applicable to any amendment.

The terms "all audit committee members" and "all directors" in this article shall be counted as the actual number of persons currently holding those positions.

In addition, when this Procedure is submitted to the board of directors for discussion in accordance with the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions and the consenting or dissenting opinions shall be included in the minutes of the board of directors meeting.

This Procedure was established on 6 August 2014. The first amendment was made on 12 May 2015. The second amendment was made on 2 October 2015. The third amendment was made on 11 May 2017. The fourth amendment was made on 11 June 2019. The fifth amendment was made on 1 July 2021.

JMC Electronics Co., Ltd.
Corporate Social Responsibility Best Practice Principles (before amendment)

Chapter 1 General

Article 1. In order to assist the Company to fulfill their corporate social responsibility initiatives, to promote economic, environmental, and social advancement for purposes of sustainable development, and to manage the risk and impact on the economy, environment and society, the Company has established these Best Practice Principles for compliance.

Article 2. These Principles apply to the entire operations of the Company and its business group.
The Company actively fulfills its corporate social responsibility in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, improves the quality of life of employees, the community and society by acting as a responsible corporate citizen, and to enhances competitive edges built on corporate social responsibility.

Article 3. In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.
The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4. To implement corporate social responsibility initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate social responsibility information.

Article 5. The Company shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of the Company itself and of its business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting.
When a shareholder proposes a motion involving corporate social responsibility, the Company's board of directors is advised to review and consider including it in the shareholders meeting agenda.

Chapter 2 Implementation of Corporate Governance

- Article 6. It is advised that the Company follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies to achieve sound corporate governance.
- Article 7. The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.
- The board of directors of the Company is advised to cover following matters, in the Company's performance of its corporate social responsibility initiatives:
1. Identifying the Company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines;
 2. Making corporate social responsibility the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and
 3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.
- The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.
- Article 8. The Company is advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.
- Article 9. For the purpose of managing corporate social responsibility initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.
- The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.
- It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.
- Article 10. The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.

Chapter 3 Development of Sustainable Environment

- Article 11. The Company shall comply with environment related legislations and relevant international guidelines to duly protect natural environment and shall, in the execution of its operating activities and internal management, dedicate itself to achieving environment sustainability targets.
- Article 12. The Company is advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.
- Article 13. The Company is advised to establish a suitable environmental management system based on the features of its industry. Such system shall include the following items:
1. Collection and evaluation of full and timely information on the impact of its operating activities on natural environment.
 2. Establishment of environment sustainability targets that are measurable, with regular review on the continuity and relevance of their development.
 3. Establishment of execution measures such as concrete plans or action proposals, with regular review of the operating performance thereof.
- Article 14. The Company is advised to establish dedicated environmental management unit or personnel to establish, promote and maintain relevant environmental management systems and concrete action proposals, with regular organization of environmental educational training for management and employees.
- Article 15. The Company is advised to consider the ecological effect of its operation, improve and promote sustainable consumption concept and engage in research and development, procurement, production and service operating activities in accordance with the following principles in order to lower the impact of its operation on the natural environment and mankind:
1. Reduce consumption of resources and energy for its products and services.
 2. Reduce emission of pollutants, toxic substance and waste and handle waste properly.
 3. Increase recyclability and reuse of raw materials and products.
 4. Maximize sustainable use of renewable resources.
 5. Extend durability of products.
 6. Increase performance of products and services.
- Article 16. In order to increase efficiency in the use of water resources, the Company shall use water resources in a proper and sustainable manner and shall establish relevant management measures. The Company shall build and reinforce relevant environmental protection and handling facilities to avoid water, air and land pollution and shall make its best efforts to reduce negative impact on the human health and the environment and adopt measures of best feasible pollution control and prevention technologies.
- Article 17. The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures.
The Company is advised to adopt standards or guidelines generally used in Taiwan

and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased electricity, heating, or steam.

The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The Company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4 Maintenance of Social Public Interest

Article 18. The Company shall comply with relevant legislations and follow international human rights treaties, such as gender equality, right of work and right against discrimination, etc.

In order to perform its responsibility to protect human right, the Company shall establish relevant management policies and procedures, including:

1. Present human right policy or statements of the enterprise.
2. Evaluate the impact of the Company's operating activities and internal management on human right and establish corresponding management procedures.
3. Regularly review the actual effect of the human right policy or statements of the enterprise.
4. In case of human right infringement, disclose the procedure for the handling of related parties.

The Company shall comply with internationally recognized labor's human rights, such as freedom of association, right of collective negotiation, care for the disadvantaged communities, prohibition against child labor, elimination of all forms of forced labor, elimination of hiring and employment discrimination, etc. The Company shall also ensure that its human resource policy is free of differential treatment based on gender, race, social class, age, marital or family status and shall implement equality and fairness in hiring and employment conditions, remuneration, benefit, training, evaluation and promotion opportunities.

In the event of jeopardy to labor interest, the Company shall provide an effective and proper complaint mechanism to ensure equality and transparency of the complaint process. The complaint channel shall be simple, convenient and smooth and employee complaints shall be duly replied.

Article 19. The Company shall provide employees with information so that they understand the labor laws of the country where the operation is located and the rights to which they are entitled.

Article 20. The Company is advised to provide employees with a safe and healthy work environment, including provision of necessary health and first-aid facilities. The Company shall also dedicated itself to the lowering of hazard factors to employees' safety and health to prevent occupational disaster.

The Company is advised to provide regular safety and health training to employees.

- Article 21. The Company is advised to create a good environment for employees' careers and establish an effective career capability development training program.
The Company shall establish and implement reasonable employee benefit measures (including remuneration, paid leave and other benefits) and shall duly reflect the operating result or performance in employee remuneration to ensure recruitment, retention and encouragement of human resources and to achieve the target of sustainable operation.
- Article 22. The Company shall establish a channel for regular communication and dialogue with employees, allowing the employees to acquire information about the Company's operating management activities and decisions and the right to express their opinions.
The Company shall respect the power of employee representatives to negotiate work conditions and shall provide employees with necessary information and hardware facilities to promote negotiation and cooperation between the employer and the employees and employee representatives.
The Company shall give notice to employees in a reasonable manner about operating changes that may have an important impact.
- Article 23. The Company shall be responsible for and shall focus on marketing ethics of its products and services. The research and development, procurement, production, processing and service process flow shall ensure transparency and safety of product and service information. It shall establish and publish its policy on consumer interest and implement it in its operating activities to prevent damage to consumers' interest, health or safety due to its products or services.
- Article 24. The Company shall ensure the quality of products and services in accordance with government legislations and relevant regulations of the industry.
In relation to customer health and safety, client privacy, marketing and labeling of its products and services, the Company shall comply with relevant legislations and international guidelines and shall not engage in any cheating, misleading, fraud or other breach of consumers' trust or any act that damage consumer interest.
- Article 25. The Company is advised to evaluate and manage all risks that may cause interruption of its operation in order to lower the impact on the consumers and the society.
The Company is advised to provide a transparent and effective consumer complaint procedure for its products and services to handle consumer complaints in a fair and timely manner. The Company shall also comply with relevant legislations such as the Personal Data Protection Act and duly respect consumers' privacy and protect personal data provided by consumers.
- Article 26. The Company is advised to evaluate the environmental and social impact of its procurement on the sourcing community and work with its suppliers to jointly achieve implementation of corporate social responsibility.
The Company is advised to establish a supplier management policy, requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health or labor human rights, etc. Before engaging in commercial dealings, the Company is advised to evaluate whether its

supplier has any record of environmental or social impact and shall avoid transacting with those in conflict with enterprise social responsibility policies. The contracts signed by the Company with its main suppliers are advised to include compliance with both parties' corporate social responsibility policies, as well as a clause providing that, in case of breach of the policy by the supplier, creating a significant environmental or social impact on the sourcing community, the Company may terminate or rescind the contract at any time.

Article 27. The Company is advised to evaluate the impact of its operation on the community and duly employ manpower in the place where its operation is located in order to improve community recognition.

The Company is advised to participate in relevant activities organized by civil organizations, charitable public-interest groups and local government institutions for community development and community education through commercial activities, donation of physical properties, enterprise volunteer services or other public-interest professional services in order to promote community development.

Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information

Article 28. The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency. Relevant information relating to corporate social responsibility which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to corporate social responsibility initiatives.

Article 29. The Company shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Article 30. The Company shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.

Article 31. The establishment of these Principles as approved by the board of directors on 22 February 2016 and its implementation was approved by the shareholders meeting on 10 May 2016. The same shall be applicable to any amendment. The first amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting on 10 June 2020.

JMC Electronics Co., Ltd.
Ethical Corporate Management Best Practice Principles
(before amendment)

- Article 1. (Purpose and Scope of Application)
These Principles are adopted to foster a corporate culture of ethical management and sound development.
These Principles are applicable to the business groups and organizations of the Company, which comprise its subsidiaries, any foundation to which the Company's direct or indirect contribution of funds exceeds 50% of the total funds received, and other institutions or juridical persons which are substantially controlled by such company ("business group").
- Article 2. (Prohibition against Unethical Conduct)
When engaging in commercial activities, directors, managers, employees, and mandataries of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.
Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.
- Article 3. (Type of Benefits)
"Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.
- Article 4. (Compliance with Law)
The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.
- Article 5. (Policy)
The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and obtain approval from the board of directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.
- Article 6. (Prevention Program)
The Company shall in its ethical management policy clearly and thoroughly

prescribe the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.

When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the companies and their business group are operating.

In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

(Scope of Prevention Program)

The Company shall establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 7 (Undertaking and Execution) :

The Company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company and its respective business group shall clearly specify in their rules and external documents and on the company website the ethical corporate management policies and the commitment by the board of directors and senior management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.

The Company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in the first and second paragraphs and retain said information properly.

Article 8. (Ethical Operation of Business Activities)

The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transactions, the Company shall take into consideration the legality of their agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.

When entering into contracts with their agents, suppliers, clients, or other trading counterparties, the Company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading

counterparties are involved in unethical conduct, the Company may at any time terminate or rescind the contracts.

Article 9. (No Offer or Acceptance of Bribery)

When conducting business, the Company and its directors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders, including bribery, kickback, commission, facilitation fee, or other undue benefits provided to or received from clients, agents, contractors, suppliers, public servants or other stakeholders, except those consistent with the laws of the place of operation.

Article 10. (No Illegal Political Contribution)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 11. (No Improper Charitable Donation or Sponsorship)

When making or offering donations and sponsorship, the Company and its directors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 12. (No Unreasonable Gift, Entertainment or Other Undue Benefit)

The Company and its directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.

Article 13. (No Infringement upon Intellectual Property Rights)

The Company and its directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 14. (No Unfair Competition)

The Company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 15. (Prevention of Damage to Stakeholders by Products or Services)

In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and its directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations

and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.

Article 16. (Organization and Responsibility)

The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, the Company avails itself of adequate resources and staff itself with competent personnel. The audit department is responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs and is mainly in charge of the following matters, and shall report to the board of directors on a regular basis (at least once a year):

1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 17. (Compliance with Law in Business Performance)

The Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 18. (Conflict of Interest)

The Company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall

also offer appropriate means for directors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the Company.

When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The Company's directors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 19. (Accounting and Internal Control)

The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of the Company shall, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans, including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

The results of examination in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the board of directors.

Article 20. (Procedure and Code of Conduct)

The Company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.

8. Disciplinary measures on offenders.

Article 21. (Training and Evaluation)

The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.

The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 22. (Whistleblowing System)

The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:

1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports.
2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
3. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.
4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
5. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.
6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
7. Whistle-blowing incentive measures.

When material misconduct or likelihood of material impairment to the Company comes to its awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.

Article 23. (Disciplinary and Complaint System)

The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 24. (Information Disclosure)

The Company shall disclose the implementation status of its ethical operation

principles on its website and in its annual report and prospectus.

Article 25. (Review and Amendment to Ethical Operation Principles)

The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.

Article 26. (Implementation)

The ethical corporate management best practice principles of the Company shall be implemented after review by the audit committee and after the board of directors grants the approval. The board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting. The same procedure shall be followed when the principles have been amended

JMC Electronics Co., Ltd.
Procedures for Ethical Management and Guidelines for Conduct
(before amendment)

- Article 1. Purpose of adoption and scope of application
The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.
The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.
- Article 2. Applicable subjects
For the purposes of these Procedures and Guidelines, the term "personnel of the Company" refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations.
Any provision, promise, request, or acceptance of improper benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.
- Article 3. Unethical Conduct
For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.
The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.
- Article 4. Types of benefits
For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5. Responsible Unit and Duties

The Company designates the internal audit department as the solely responsible unit (hereinafter, "responsible unit") under the board of directors and provide it with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors:

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analysing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
7. Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.

Article 6. Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit

have been specified in advance.

4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Property with a reasonable market value not beyond normal social etiquette received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative, provide that it is occasional and without impact on specific rights or obligations.
7. Other conduct that complies with the rules of the Company.

Article 7. Procedures for handling the acceptance of improper benefits

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by the president.

Article 8. Prohibition of and handling procedure for facilitating payments

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment

under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9. Procedures for handling political contributions

Political contributions by the Company shall be made in accordance with the following provisions, reported to the chairman for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$250,000 or more, it shall be made only after being reported to and approved by the board of directors, provided that the annual accumulated amount shall not exceed the limit under the Income Tax Act:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made. A written record of the decision-making process shall be kept.
2. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
3. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

Article 10. Procedures for handling charitable donations or sponsorships

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the chairman, and a notification shall be given to the responsible unit. When the amount is NT\$1,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors, provided that the annual accumulated amount shall not exceed the limit under the Income Tax Act:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
3. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest.
4. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11. Recusal

When a director, officer or other stakeholder of the Company attending or present

at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

Article 12. Special unit in charge of confidentiality regime and its responsibilities

The Company designates the administration department as the unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

Article 13. Prohibition against unfair competition and prevention of damage caused by products and services to stakeholders

All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

Prohibition against unfair competition and prevention of damage caused by products and services to stakeholders

1. Prohibition against unfair competition

The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide

- markets by allocating customers, suppliers, territories, or lines of commerce.
2. Prevention of damage caused by products and services to stakeholders
The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.

Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, within 7 days, recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

Article 14. Prohibition against insider trading and non-disclosure agreement

1. Prohibition against insider trading

All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading

2. Non-disclosure agreement

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

Article 15. Compliance and announcement of policy of ethical management

The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 16. Ethical management evaluation prior to development of commercial relationships
Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
5. The long-term business condition and degree of goodwill of the enterprise.
6. Consultation with the enterprise's business partners on their opinion of the enterprise.
7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 17. Statement of ethical management policy to counterparties in commercial dealings
Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 18. Avoidance of commercial dealings with unethical operators
All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 19. Stipulation of terms of ethical management in contracts
Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated

the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other damages and may also deduct the full amount of the damages from the contract price payable.

2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 20. Handling of unethical conduct by personnel of the Company

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of the Company to submit reports. A whistleblower shall at least furnish the following information:

the whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.

the informed party's name or other information sufficient to distinguish its identifying features.

1. specific facts available for investigation.
2. Personnel of the Company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential.
3. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

The responsible unit of the Company shall observe the following procedure in handling whistleblowing matters:

1. An information shall be reported to the department head if involving the rank and file and to an independent director or supervisor if involving a director or a senior executive.
2. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management,

the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.

4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
5. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
6. The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures

Article 21. Actions upon event of unethical conduct by others towards the Company

If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 22. Procedure for establishment of enterprise ethical conduct by senior executives, internal awareness sessions and establishment of a system for rewards, penalties and related disciplinary measures

The responsible unit of the Company shall organize one awareness sessions each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries. The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response

Article 23. Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be implemented after review by the audit committee, adoption by resolution of the board of directors, and shall be delivered to each supervisor and reported to the shareholders meeting.

When these Procedures and Guidelines are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend

a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting.

JMC Electronics Co., Ltd
Rules of Procedure for Board of Directors Meetings
(before amendment)

- Article 1. To establish a strong governance system and sound supervisory capabilities for the Company's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2. With respect to the board of directors' meetings ("board meetings") of the Company, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.
- Article 3. As required for the Company's business, the board of directors shall meet quarterly. A notice of the reasons for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice. The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients. All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.
- Article 4. The designated unit responsible for the board meetings of the Company shall be the finance and accounting department. The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting. A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.
- Article 5. When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference. Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the Company's articles of incorporation. Attendance by videoconference will be deemed attendance in person. A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. The proxy referred to in paragraph 2 may be the appointed proxy of only one person.
- Article 6. A board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and

suitable for holding board meetings.

- Article 7. Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair. If the board meeting is convened by the majority of directors in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall select from among themselves one director to serve as chair. When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the chairperson shall appoint one of the directors to act as chair. If no such designation is made by the chairperson, the directors shall select one person from among themselves to serve as chair.
- Article 8. When a board meeting is held, the management (or the designated unit responsible for the board meetings) shall furnish the attending directors with relevant materials for ready reference. As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants to report about the current operating and business status of the Company and to answer questions raised by the directors in order to help directors understand the current status of the Company and pass proper resolutions. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. At the time of the meeting, if the chair cannot call the meeting to order due to force majeure or other special circumstances, following enquiry of each director's opinion and with the consent of the majority of directors, the meeting may be adjourned at a different location and (or) by video conference, provided that the adjourned meeting time shall not exceed 12:00 midnight of the same day. The number of "all directors," as used in paragraph 3 and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.
- Article 9. Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form. If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation and the preceding

paragraph is not applicable.

Where a board meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 10. Agenda items for regular board meetings of the Company shall include at least the following:

1. Matters to be reported:
 - (1) Minutes of the last meeting and action taken.
 - (2) Important financial and business matters.
 - (3) Internal audit activities.
 - (4) Other important matters to be reported.
2. Matters for discussion:
 - (1) Items for continued discussion from the last meeting.
 - (2) Items for discussion at this meeting.
3. Extraordinary motions.

Article 11. Any agenda proposed by a director that is not delivered to the Company's unit responsible for meeting 3 days before the meeting notice shall not be included in the agenda.

A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

About the agenda scheduled under the preceding paragraph or any motion, the chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply *mutatis mutandis*.

In the course of the meeting, the chair may consider the time and announce break or negotiation.

Article 12. The matters listed below as they relate to the Company shall be raised for discussion at a board meeting:

1. The Company's business plan.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the 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 equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. 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.

8. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

9. If the directors and managers remuneration recommended by the remuneration committee is not adopted or is revised, it shall be approved by the majority of directors attending a meeting that is attended by 2/3 or more of all directors and it shall be specified in the resolution whether the approved remuneration is more favorable than the recommendation of the remuneration committee.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

All matters set forth paragraph 1 shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.

When the board of directors of the Company discusses major financial activities under subparagraph (4) of the preceding paragraph, the opinions of the audit committee or independent directors shall be fully taken into consideration and their clear consenting or dissenting opinions and the reasons for dissent shall be included in the records of the board meeting.

At least one independent director of the Company shall attend the board meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

When there is an amendment or alternative to a proposal or if another proposal is made through motions by a director, it must be seconded by another director.

A director who expresses a specific reason for dissent to a proposal put up for voting may provide a written statement and such reason shall be recorded in the minutes of the meeting.

- Article 13. When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.
- When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.
- One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:
1. A show of hands or a vote by voting machine.
 2. A roll call vote.
 3. A vote by ballot.
 4. A vote by a method selected at the Company's discretion.
- "Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.
- Article 14. Each board seat is entitled to one voting right.
- Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.
- When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.
- If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.
- Voting results shall be made known on-site immediately and recorded in writing.
- Article 15. If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.
- Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply *mutatis mutandis* in accordance with Article 206, paragraph 3 of the same Act.
- Article 16. Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:
1. The meeting session (or year) and the time and place of the meeting.
 2. The name of the chair.
 3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.

4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of the Company.
3. The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of the Company.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 17. With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, when the board of directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or the Company's articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific, without general authorization, and matters involving important interest of the Company shall still be resolved by the board of directors.

Article 18. These Rules were established on 25 March 2015, implemented following approval by the board of directors and reported to the shareholders meeting on 12 May 2015. The same shall be applicable to any amendment.

The first amendment was implemented following approval by the board of directors on 5 August 2015 and reported to the extraordinary shareholders meeting on 2 October 2015.

The second amendment was implemented following approval by the board of directors on 6 November 2017 and reported to the general shareholders meeting in 2018.

The third amendment was implemented following approval by the board of directors on 16 March 2020 and reported to the general shareholders meeting in 2020.

Director Shareholding:

The Company's paid-in capital is NT\$ 830,000,000, with 83,000,000 outstanding shares. In accordance with Article 26 of the Securities and Exchange Act, all directors shall hold a minimum of 8,300,000 shares.

As of the record date of this general shareholders meeting (11 April 2022), the directors recorded in the shareholders register hold the following shares, which satisfy the ratio required in Article 26 of the Securities and Exchange Act.

Title	Name	Date of Election	Current Shareholding	
			Shares	Shareholding percentage
Chairman	Yuan Yao Energy Technology Co., LTD Representative: Huang, Chia-Neng	2021.07.01	15,000	0.02%
Director	Chang Wah Electromaterials Inc. Representative: Chou, Kang-Chi	2021.07.01	35,531,390	42.81%
Director	Chang Wah Electromaterials Inc. Representative: Hong, Chuan-Cheng			
Director	ChipMOS TECHNOLOGIES INC. Representative: Hsu, Yuan-Feng	2021.07.01	8,300,000	10.00%
Independent Director	Ke, Yong-Siang	2021.07.01	0	0%
Independent Director	Yang, Shun-Ching	2021.07.01	31,540	0.04%
Independent Director	Hong, Chia-Yu	2021.07.01	0	0%
Total Director Shareholding			43,877,930	52.87%

Note: The Corporation has established an Audit Committee, so the minimum shares required to be held by the supervisors are not applicable.

The background is a vibrant blue with a complex geometric pattern of thin white lines forming a network of triangles and polygons. Three prominent nodes where multiple lines intersect are highlighted with small grey circles. The overall aesthetic is modern and technical.

JMC