



2024 Annual Shareholders' Meeting

Meeting Agenda (Translation)

May 29th, 2024



FARADAY

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2024 Annual Shareholders' Meeting Procedures

- 1 、 Call the Meeting to Order
- 2 、 Chairperson Takes Chair
- 3 、 Chairperson Remarks
4. 、 Company Reports
5. 、 Proposals
- 6 、 Elections
- 7 、 Questions and Motions
- 8 、 Adjournment



2024 Annual Shareholders' Meeting Agenda

1 、 Time: 9:00 a.m., May 29th, 2024

2 、 Place: No. 5, Li-Hsin Rd. III, Hsinchu Science Park, Hsinchu City, Taiwan (Faraday Hsinchu Headquarters)

3 、 How to convene : Physical shareholders' meetings

4 、 Attendance: All shareholders and equity representatives

5 、 Chairperson: Chia-Tsung Hung, Chairman of the Board of Directors

6 、 Chairperson Remarks

7 、 Company Reports

- (1) 2023 Business Report.
- (2) Audit Committee's Review Report on the 2023 Financial Statements.
- (3) 2023 Profit Distribution for Employees and Directors.
- (4) Report on 2023 Remuneration of Directors.
- (5) Amendment to the “Corporate Governance Best-Practice Principles”.
- (6) Amendment to the “Procedures for Ethical Management and Guidelines for Conduct”.

8 、 Proposals

- (1) 2023 Business Report and Financial Statements.
- (2) Proposal for Distribution of 2023 Profits.

9 、 Elections

- (1) The 12th Election of Nine Directors (including three Independent Directors).

10 、 Other Matters

- (1) Proposal for Release the Prohibition on new Directors (including Independent Directors) and Representatives from Participation in Competitive Business.

11 、 Questions and Motions

12 、 Adjournment

2.1 · Reports on Company Affairs

Report I

Proposed by the Board of Directors

2023 Business Report.

Explanation:

- (1) Please refer to the Annex 3.1 on Page 11 ~ 13 of this Handbook for the 2023 Business Report.
- (2) Please review and inspect the details together.

Report II

Proposed by the Board of Directors

Audit Committee's Review Report on the 2023 Financial statements.

Explanation:

- (1) Please refer to the Annex 3.2 on Page 14 of this Handbook for the Audit Committee's 2023 Review Report.
- (2) Please review and inspect the details together.

Report III

Proposed by the Board of Directors

2023 Profit Distribution for Employees and Directors.

Explanation:

- (1) The 2023 Profit Distribution for Employees and Directors was approved by the 16th Board Meeting with Faraday's 11th term Board of Directors in accordance with the Articles of Incorporation. The Employees' and Directors' remuneration are to be distributed in cash. The total amount of cash remuneration for directors is NT\$ 2,681,094 and for employees is NT\$ 237,433,000.
- (2) Please review and inspect the details together.

Report IV

Proposed by the Board of

Directors

Report on 2023 Remuneration of Directors.

Explanation:

- (1) According to the regulations listed in Articles of Incorporation, the directors' remuneration are authorized by board meeting to pay remuneration to the directors according to their level of participation in the operation of the Company, the value of their contributions, and supervision of sustainable development, and with reference to the industry level. In addition, based on the Company's profit status in the current year, no more than 2% is contributed as director's emoluments according to the regulations of Article 27 in Articles of Incorporation. The Company regularly evaluates the performance and remuneration of directors by the "Rules for Performance Evaluation of

Board of Directors”, relevant performance evaluation and reasonableness of remuneration shall all be reviewed and approved by the Remuneration Committee before being submitted to the Board of Directors for resolution.

- (2) The remuneration received by the Company's Directors (including three Independent Directors) in 2023, includes remuneration policy, content of individual remuneration, and its amount. Please refer to the Annex 3.3 on Pages 15~16 of this Handbook.
- (3) Please review and inspect the details together.

Report V

Proposed by the Board of Directors

Amendment to the “Corporate Governance Best-Practice Principles”.

Explanation:

- (1) In order to conform to Public Announcement No.Taiwan-Stock-Governance-1110024366 of TWSE, the company hereby proposes to amend the “Corporate Governance Best-Practice Principles”.
- (2) Please refer to the Annex 3.7 on Page 36~38 of this Handbook for the comparison table for amended articles.
- (3) Please review and inspect the details together.

Report VI

Proposed by the Board of Directors

Amendment to the “Procedures for Ethical Management and Guidelines for Conduct”.

Explanation:

- (1) In order to conform to Public Announcement No.Taiwan-Stock-Governance-1090002299 of TWSE, the company hereby proposes to amend the “Procedures for Ethical Management and Guidelines for Conduct”.
- (2) Please refer to the Annex 3.8 on Page 39~43 of this Handbook for the comparison table for amended articles.
- (3) Please review and inspect the details together.

2.2 、Proposals

Proposal I

Proposed by the Board of Directors

2023 Business Report and Financial Statements.

Explanation:

- (1) The Financial Statements of Faraday in 2023 have been audited and completed by independent auditors, Hu, Shen-Jie and Yang, Yu-Ni, of Ernst & Young, Taiwan. Also Business Report and Financial Statements were approved by the 16th Board Meeting with 11th term Board of Directors and examined by the Audit Committee of Faraday.
- (2) Please refer to Annex 3.1 on Pages 11 ~ 13 and Annex 3.4 ~ Annex 3.5 on Page 17 ~ 34 of this Handbook for the 2023 Business Report and Financial Statements.
- (3) Submit for approval.

Resolutions:

Proposal II

Proposed by the Board of Directors

Proposal for Distribution of 2023 Profits.

Explanation:

- (1) Faraday's 2023 Earnings Distribution Table was approved by the 16th Board Meeting with Faraday's 11th term Board of Directors, and had been reviewed and completed by the Audit Committee. Please refer to the Annex 3.6 of this Handbook on Page 35 for more details.
- (2) For this earnings distribution, a cash dividend of NT\$1,118,476,409 will be allocated to shareholders, and about NT\$4.5 per share will be distributed. It is calculated according to the distribution ratio and rounded up to the dollar (all below NT dollars will be rounded off), and the total amount of the odd share that is less than NT\$1 will be transferred to the Employee Welfare Committee of Faraday.
- (3) It is proposed that the Chairman be authorized by the Board of Directors to resolve the ex-dividend date, the distribution date of cash dividends, and other relevant issues. The proposed profit distribution is affected by the repurchase of the Company's shares, treasury shares are transferred or canceled or cash capital increase, the number of outstanding common shares of the company will be affected and the payout ratio changes accordingly, it is proposed that the Chairman be authorized to adjust the cash and stock to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
- (4) Submit for approval.

Resolutions:

2.3 、 Elections

Proposal I

Proposed by the Board of Directors

The 12th Election of Nine Directors (including three Independent Directors).

Explanation:

- (1) The 11th term of Directors (including independent directors) of the Board will be end on July 6th, 2024. The company proposes to duly elect new Board members at this year's Annual Shareholders' Meeting according to Article 195 of the Company Act.
- (2) According to the Articles of Incorporation, the Board of Directors resolved to elect nine Directors (including three Independent Directors) this time. The term of new directors (including independent directors) is three years, and they are scheduled to take office immediately after the re-election. Their three-year term will start from May 29th, 2024 and conclude on May 28th, 2027.
- (3) Elections of Directors (including Independent Directors) shall be conducted in accordance with the candidate nomination system set out in Article 192-1 of the Company Act. Shareholders should select Directors (including Independent Directors) from the list of candidates. Their education, experience and other relevant information, please refer to Annex 3.9 of this Handbook on Page 44~48.
- (4) Submit for approval.

Voting Results:

2.4 、 Other Matters

Proposal I

Proposed by the Board of Directors

Proposal for Release the Prohibition on new Directors (including Independent Directors) and their representatives from Participation in Competitive Business.

Explanation:

- (1) According to the Company Act, Article 209, “A director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
- (2) The Directors of the Company have invested in or operated other companies with the same or similar business scope as the Company and served as Directors; on the premise that the interests of the Company will not be harmed, it is proposed to submit to the Annual Shareholders’ Meeting for permission to lift the non-competition restrictions on the Company's new Directors (including Independent Directors) and their representatives, as listed in the following table:

Title	Name	Concurrent company	Business content	Concurrent position
Juristic-Person Director	United Microelectronics Corporation	Novatek Microelectronics Corporation	Electronic parts and components manufacturing	Director
		ITE Tech Inc.	Electronic parts and components manufacturing	Director
		Silicon Integrated Systems Corporation	Electronic parts and components manufacturing	Director
		Unimicron Technology Corporation	Electronic parts and components manufacturing	Director
		hipbond Technology Corporation	Electronic parts and components manufacturing	Director
		Hsun Chieh Capital Corporation	General investment	Director
		TriKnight Capital Corporation	General investment	Director
		YannYuan Capital Corporation	General investment	Director
Representative of Juristic-Person Director	Chia-Tsung Hung	United Microelectronics Corporation	Electronic parts and components manufacturing	Chairman
		Silicon Integrated Systems Corporation	Electronic parts and components manufacturing	Chairman
		UMC Capital Corporation	General investment	Chairman

Title	Name	Concurrent company	Business content	Concurrent position
		TLC Capital Corporation	General investment	Chairman
		TriKnight Capital Corporation	General investment	Director
		UnitedVision Semiconductor Corporation (Shandong)	IC design service	Executive Director
		UMC Capital Corp.	General investment	Chairman
		United Microelectronics (Europe) B.V	Marketing support	Director
Juristic-Person Director	Unimicron Technology Corporation	Emax Tech Corporation	Wholesale of computers and computer peripherals	Director
Director	Kuo-Yung Wang	Sheng Bang Investment Corporation	General investment	Chairman
		Chih Hung Investment Corporation	General investment	Chairman
		Yuan Ching Technology (Chongqing)	Sales and after-sales service of IC design products	Chairman
		Artery Technology Corporation, Ltd. (Chongqing)	Sales and after-sales service of IC design products	Chairman
		Artery Technology Company	Sales and after-sales service of IC design products	Chairman
		Artery Technology Corp.	General investment	Chairman
		Sinble Technology Pte. Ltd.	IC design service	Chairman
Director	Shih-Chin Lin	Innopower Technology Corporation	Silicon Intellectual Property Design Services	Chairman
		Innopower Technology Corporation (Chongqing)	Sales and after-sales service of IC design products	Chairman
		Faraday Technology China Corporation	Sales and after-sales service of IC design products	Chairman
		Faraday Technology Japan Corp.	Product sales base	Chairman
		FaradayTek Solutions India Private Limited	IC design service	Chairman

Title	Name	Concurrent company	Business content	Concurrent position
		Faraday Technology Corporation (Suzhou)	Sales and after-sales service of IC design products	Director
		United Business Service Corporation (Chongqing)	Sales and after-sales service of IC design products	Director
		Sinble Technology Pte. Ltd.	IC design service	Director
Director	Wen-Ju Tseng	Faraday Technology (Mauritius) Corp.	General investment	Chairman
		Faraday Technology (Samoa) Corp.	General investment	Chairman
		Bright Capital Group Limited (BCGL)	General investment	Chairman
		Faraday Technology Corp. (BVI)	Buying, selling, and investment	Chairman
		Artery Technology Corp.	General investment	Director
		Sinble Technology Pte. Ltd.	IC design service	Director
		Hsieh Yong Capital Corporation	General investment	Director
		Artery Technology Company	Sales and after-sales service of IC design products	Director
		Artery Technology Corporation, Ltd. (Chongqing)	Sales and after-sales service of IC design products	Director
Independent Director	Bing-Kuan Luo	DFI Inc.	Computer and Peripheral Equipment Manufacturing	Independent Director
		Hua-Nan Commercial Bank (Ltd.)	Banking	Independent Director
		HuaXuan International Consulting Corporation	Management consulting	Chairman
		Taiwan Independent Director Association	Nonprofit organization (NPO)	Chairman
		Taiwan M&A and Private Equity Council	Nonprofit organization (NPO)	Vice Chairman
		Monte Jade Science and Technology Association	Nonprofit organization (NPO)	Director
Independent Director	Li-Ying Yeh	Quanxin Logistics CO., Ltd	Logistics and transportation industry	Chairman
		Meng & Yume Innovate Pte. Ltd.	Software service industry	Director

Title	Name	Concurrent company	Business content	Concurrent position
		Trust Capital Alternative Pte. Ltd.	Fund management industry	Director
		Private Alternative VCC	Fund management industry	Director

(3) Submit for approval.

Resolutions:

2.5 、 Questions and Motions

2.6 、 Adjournment

Annex 3.1: 2023 Business Report

FARADAY TECHNOLOGY CORPORATION 2023 Business Report

Dear Shareholders,

Year of 2023 marked a significant milestone for Faraday as the company enters its 30th year since establishment. Not only did we achieve No. 1 in the Top 50 Best Companies in Operational Performance by Common Wealth Magazine, we also successfully expanded our expertise from mature process to the new technological domains of advanced processes and advanced packaging, setting a new paradigm for the company. Technology innovation and advancement are the fundamental elements for sustainable business operation. We have not only developed silicon intellectual property in advanced processes, but have also accumulated design experience in advanced processes through a flexible business model. Simultaneously, we have expanded into the advanced packaging market, and such strategic positioning enables us to seize opportunities in related applications such as artificial intelligence and high-speed computing. Additionally, we have successfully secured numerous advanced process and advanced packaging projects from international clients, injecting a new wave of momentum into the company's future operational development.

Amidst global inflation and geopolitical uncertainties last year, the semiconductor industry witnessed a slowdown in annual growth due to weakening demand in end markets. In response to these industry shifts, our company faced challenges of declining customer demand and inventory adjustments. Internally, we actively managed inventory, while externally, we closely collaborated with customers and partners across the supply chain to navigate market challenges together. Despite short-term headwinds in the industry with the impact of customer inventory and a high revenue base from the previous year, our silicon intellectual property (IP) and ASIC business continued to show positive long-term development. Driven by diverse applications, revenue from IP and non-recurring engineering (NRE) continued to reach new record highs, marking a three-year consecutive growth milestone. With relentless efforts from Faraday's global workforce, combined revenue exceeded NT\$10 billion, reaching NT\$12 billion, with basic EPS of NT\$6.39.

Faraday's main operational achievements include:

- Continuous growth in silicon intellectual property (IP) revenue for three consecutive years. Despite geopolitical challenges and market differentiation globally, Faraday, as one of the few ASIC manufacturers with IP development capabilities, not only deepened its penetration in existing key processes but also expanded new cooperation opportunities. IP revenue saw a significant increase, reaching NT\$1.4 billion driven by licensing fees.
- Advanced process and advanced packaging greatly contributed to NRE. In the face of diverse production demands from global customers, Faraday's unwavering goal has been to strengthen sustainable operations. We continuously enhance operational quality and collaborate with supply chain partners to provide ASIC cross-geographical production support services, thereby mitigating manufacturing risks arising from economic, geopolitical, and other factors, and earning recognition from customers worldwide. Our focus remains on the fundamentals of the company. Over the past few years, we have bolstered our research and development capabilities and dedicated ourselves to technological advancement. Not only have we developed proprietary IP in advanced processes, but we have also elevated our design capabilities through flexible operational models and strategic collaborations. These enhancements and initiatives have enhanced our competitiveness and earned us

customer recognition, leading to successful design win of 14nm AI SoC ASIC. Additionally, Faraday stands out as one of the few ASIC manufacturers with both design and management capabilities in the advanced packaging market. As a neutral service provider, the company offers “Faraday’s Total Advanced Packing” solutions, leveraging SoC design expertise, flexible operational models, and experience in sustainable supply chain management, successfully securing multiple design wins. We are optimistic about the demand from emerging technological domains, which is expected to bring abundant business opportunities to Faraday. NRE revenue reached new record high, amounting to NT\$1.72 billion.

- Mass production revenue decreased due to impact from macroeconomic conditions, but the long-term structural demand growth trajectory remains unchanged. Due to weakened demand in end markets and inventory adjustments, mass production revenue decreased by 12% from the previous year to NT\$8.8 billion. However, the company’s accumulation of hundreds of design win projects over the years has laid a robust foundation for growth, and the accelerating volume of projects preparing for mass production serves as an indicator for future mass production performance. As the ASIC industry enters the era of advanced process and advanced packaging, Faraday will continue to consolidate its position in mature process with niche applications while venturing into new technological fields. Leveraging Faraday’s thirty years of technical expertise, increased investment in technology research and R&D resource, and strategic collaborations through various business models, the Company aims to enhance and transform its value in this new era, translating this to valuable revenue.

Faraday continues to innovate and invest in research and development. The company’s technological breakthroughs and achievements include:

- Introduction of the 28nm SerDes IP advanced technology service solution. The SerDes IP, integrated with Faraday’s PCIe Gen-4 PCS and EP controllers, successfully obtained certification through PCI-SIG testing.
- Collaboration with Infineon on the development of SONOS embedded flash memory (eFlash) subsystem solutions using UMC’s 40nm uLP process. These solutions have passed rigorous quality and reliability verification, assisting customers in meeting the cost, power, and performance requirements of SoC designs for IoT applications.
- Launch of the 2.5D/3D advanced packaging service integrating chiplets. This service utilizes exclusive interposer manufacturing to connect small chips and works closely with foundries and testing packaging suppliers to ensure production quality that meets the stringent requirements of the advanced packaging market.
- Introduction of a new generation of 4-port Gigabit Ethernet PHY on UMC’s 28nm HPC+ platform. This GPHY incorporates SAR ADC technology, resulting in a significant 33% reduction in power consumption per port compared to the previous generation, enabling customers to develop lower power and higher performance Ethernet devices and systems.
- Participation in ARM’s Total Design ecosystem as the first design service partner in Taiwan. Faraday will provide comprehensive ASIC services based on the ARM Neoverse CSS, including subsystem integration and hardening solutions. Additionally, flexible business models such as design implementation services (DIS) and advanced packaging services will be offered, providing a faster and lower-risk development path for ASICs used in next-generation computing infrastructure.

Faraday has been recognized and commended both domestically and internationally for its operational performance, corporate governance, business quality, workplace friendliness, and sustainable development. Faraday ranked No. 1 in the Top 50 Best Companies in Operational Performance by Common Wealth

Magazine. In terms of corporate governance, Taiwan Stock Exchange has consistently acknowledged the company for three consecutive years, ranking in the top 6% to 20% in corporate governance evaluations. Faraday has also been included in various indices such as "Taiwan Corporate Governance 100 Index", "Taiwan Mid-Cap 100 Index", "Taiwan High Compensation 100 Index", and "TIP Customized Taiwan IC Design Total Return Index". Regarding business quality, ANQ Recognition awarded Faraday "The Excellence in Quality Practice in 2023", and Faraday was also awarded "Green Leadership and Corporate Sustainability Reporting in 2023" by The Asia Responsible Enterprise Award. In terms of workplace friendliness, Faraday firmly believes that talent is a crucial asset and the foundation for sustainable corporate development. The company has been awarded the "Promotion of Workplace Gender Equality Special Excellence Award", and certifications such as the "Accredited Healthy Workplace Badge" and "iSports Enterprise Certificate" for fostering a healthy and inclusive work environment.

Faraday actively implements ESG policies and a sustainable execution framework, with the sustainable vision of "creating progress for humanity through technology". Upholding the three missions and values of environmental protections, which are society, integrity, and compliance, the company deeply cultivates ESG in three major dimensions. Through six sustainable axes and five sustainable execution aspects, Faraday continues to advance on the path of corporate sustainability. The company has committed to significant goals, including a 50% reduction in carbon emissions by 2030 and achieving net-zero greenhouse gas emissions by 2050. We plan to progressively reduce greenhouse gas emissions and collaborate with the supply chain to implement low-carbon management, demonstrating our commitment to green initiatives. Faraday has also been included in international sustainability indices, including MSCI ESG ratings, FTSE Russell ESG ratings, and S&P Global ESG ratings, indicating recognition from investors for our efforts in corporate sustainability. In terms of information security commitments, the company has obtained ISO/IEC 27001:2022 Information Security Certification, making Faraday one of the first enterprises to receive certification under this new version of standard. In managing intellectual property rights, Faraday continues to strengthen the creation, protection, and operation of intellectual property rights through the TIPS certification mechanism.

Looking ahead, Faraday will continue to invest in new technological fields and research resources to enhance competitiveness with our positioning at the core of the industry. Additionally we will strengthen technical capabilities and business expansion through strategic partnerships while actively recruiting global talents to capitalize on the immense opportunities in industry growth trends. Faraday will continue to fulfill corporate social responsibility, balancing sustainable operations and profitability while addressing the impacts on environmental, social, and governance aspects, thereby enhancing sustainability performance. Lastly, we express our gratitude to all shareholders for their long-term support. Our entire staff will continue to strive for excellence and look forward to creating greater value together with shareholders.

Chairman: Chia-Tsung, Hung

President: Kuo-Yung Wang

Accounting Officer: Wen-Ju Tseng

Annex 3.2: Audit Committee's Review Report

Audit Committee's Review Report

The Board of Directors had prepared and presented the Company's 2023 Business Report, Financial Statements (including consolidated and parent company only), and surplus earnings distribution proposals, of which, the Financial Statements (including consolidated and parent company only) were audited by Ernst & Young, Taiwan with Independent Auditors' report. The aforementioned Business report, Financial Statements (including consolidated and parent company only), and the surplus earnings distribution proposal were reviewed by the Audit Committee and concluded to be in compliance with the Company Act and other relevant laws and regulations. The Audit Committee Review Report is hereby presented in accordance with Article 14 of the Securities Exchange Act and Article 219 of the Company Act for review and approval.

FARADAY TECHNOLOGY CORPORATION

The 2024 Annual Shareholders' Meeting

Audit Committee Convener: Bing-Kuan Luo

February 20, 2024

Annex 3.3: General Remuneration of Directors (Including Independent Directors) in 2023

December 31st, 2023

Unit: thousand dollars/thousand shares

Title	Name	Directors' remuneration								The total amount of (A +B + C + D) and proportion of net income after tax		Relevant remuneration received by part-time employee								The total amount of (A +B + C + D + E + F +G) and proportion of net income after tax		Receive r emunerati on from r einvestme nt outside subsidiar y or pare nt compa ny
		Remuneration (A)		Retirement pension (B)		Director's emoluments (C)		Business execution expense (D)				Salary, bonus and special expense (E)		Retirement pension (F)		Employee compensation (G)						
		The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company		All companies in financial statements		The Company	All companies in financial statements			
Chairman	Representative of UMC: Chia-Tsung Hung(Note 2)	720	720	-	-	882	882	150	150	7,902 (0.50%)	7,902 (0.50%)	63,017	63,017	-	-	5,485	-	5,485	-	76,404 (4.81%)	76,404 (4.81%)	None
Director	Representative of UMC: Ying-Sheng Shen (Note 2)	720	720	-	-	882	882	150	150													
Director	Representative of UNIMICRON: Cheng-Li Huang	720	720	-	-	882	882	150	150													
Director	Kuo-Yung Wang	720	720	-	-	12	12	150	150													
Director	Shih-Chin Lin	720	720	-	-	12	12	150	150													
Director	Wen-Ju Tseng	720	720	-	-	12	12	150	150	3,330 (0.21%)	3,330 (0.21%)	-	-	-	-	-	-	-	-	3,330 (0.21%)	3,330 (0.21%)	None
Independent Director	Ning-Hai Jin	960	960	-	-	-	-	150	150													
Independent Director	Bing-Kuan Luo	960	960	-	-	-	-	150	150													
Independent Director	Wan-fen Zhou	960	960	-	-	-	-	150	150													
1. Please specify the payment policy, system, standard and structure of independent directors' remuneration; and state the relevance of payment remuneration amount according to the factors of responsibilities, risks, and time invested. (Note 1)																						
2. Except disclosed in the above table, the received remuneration in the most recent year from the service provided from directors of board (such as serving as consultant of parent company, all companies inside financial statements, non-employee of reinvestment business): None																						

- Please specify the payment policy, system, standard and structure of independent directors' remuneration; and state the relevance of payment remuneration amount according to the factors of responsibilities, risks, and time invested. (Note 1)
- Except disclosed in the above table, the received remuneration in the most recent year from the service provided from directors of board (such as serving as consultant of parent company, all companies inside financial statements, non-employee of reinvestment business): None

Note 1 : Remuneration policies, procedures, standards, and structure, and its linkage to responsibilities, risks, and time spent:

1. Remuneration policies, procedures, standards, and structure

- (1) The salary of the Company's directors is in accordance with Article 16 of the Articles of Incorporation, that the Board of Directors is authorized to determine the salary for directors, and the extent and value of the services provided for the management of the Company and the standards of the industry. In case of profit generated for the year, it shall set aside no more than 2% for remuneration of directors as stipulated in Article 27 of the Articles of Incorporation. Independent directors are not included in the

remuneration of directors. The Company evaluates the remuneration of the Board in accordance with the “Board Performance Evaluation Measures” regularly. Performance and salary rationality are reviewed by the Audit Committee and the Board of Directors.

- (2) Various allowances and bonuses are established in accordance with the salary regulations as managers’ remuneration in order to show solicitude and encouragement for employees’ hard work. Bonus is distributed based on the Company’s annual performance, financial status, operation status, personal work performance, and sustainable development goals (environmental, social, and corporate governance aspects). In case of profit generated for the year, it shall set aside no less than 10% for remuneration of employees as stipulated in Article 27 of the Articles of Incorporation.
 - (3) The Company’s remuneration packages are in accordance with the Remuneration Committee Charter. The scope is consistent with the remuneration paid to directors and managers listed in the “Regulations Governing Information to be published in Annual Reports of Public Companies”.
2. The Linkage with remuneration amount
- (1) The review on the distribution standard and system of the Company’s remuneration policy is mainly based on the overall operation status. The distribution standard is determined by performance achievement rate and contribution in order to improve the overall organizational performance of the Board of Directors and the management team. In addition, general pay levels in the industry are regularly referred to, while reflecting to the performance of individual and the team.
 - (2) Any important decision of the management is made after evaluating relevant risk factors. The performance of the decision is reflected on company profit; therefore, the performance of risk control is relevant with the management’s remuneration.
 - (3) The directors’ and managers’ performance and salary rationality are evaluated and reviewed by the Audit Committee and the Board of Directors regularly. In addition to performance achievement rate and contribution, it also refers to the overall operating performance, future risk and development trend of the industry, and operating status and relevant regulations to timely review the remuneration system. Reasonable remuneration is distributed after considering current sustainable development goals (environmental, social, and corporate governance aspects) in order to strike a balance between sustainable operation and risk control. The actual distribution amount of the directors and managers’ remuneration in 2023 is reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.

Note 2: As to the remuneration of juristic person director and its representative, the remuneration and business execution expense are given to the individual, and the director’s emoluments are given to juristic person.

Annex 3.4: 2023 Consolidated Financial Statements with report of Independent Auditors

Independent Auditors' Report Originally Issued in Chinese

To Faraday Technology Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Faraday Technology Corporation and its subsidiaries (“the Group”) as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and their consolidated financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on

our audits and the reports of the other auditors, 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 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Operating revenues recognized by the Group amounted to NT\$11,965,574 thousand for the year ended December 31, 2023, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$8,839,413 thousand, NT\$1,724,577 thousand and NT\$1,401,584 thousand, constituting 73.88%, 14.41% and 11.71% of consolidated operating revenues, respectively. Revenue is the main operating activity of the Group. Revenue includes application-specific integrated circuit (ASIC) products, and the services include non-recurring engineering (NRE) and silicon intellectual property license (IP). Revenue includes different sources such as sale of goods and services provided, and judgement is exercised to determine the performance obligations and when those were satisfied. As a result, we determined the matter to be a key audit matter.

Our audit procedures included (but not limited to), assessing the appropriateness of the accounting policies of revenue recognition for sales of goods, rendering of services and silicon intellectual property license, testing the operating effectiveness of internal controls established by management for sale of goods, rendering of services and silicon intellectual property license, performing analytical procedures of gross margin by product, selecting samples to perform test of details of transactions including identification of performance obligations in contracts and verification of when performance obligations were satisfied, reviewing significant service agreements for terms of contracts, project milestones and relevant communication information with the Group's customers for service provided, and inspecting evidence of client acceptance for deliverables, shipping documents and invoices to verify the accuracy of cut-off revenue time, etc. We also assessed the adequacy of accounting policy and disclosures of operating revenues. Please refer to Note 4(16) and Note 6(16).

Other Matter – Making Reference to the Audits of Other Auditors

We did not audit the financial statements of certain subsidiaries, whose statements reflect total assets of NT\$981,160 thousand and NT\$1,121,758 thousand, constituting 7.31% and 8.30% of total consolidated assets as of December 31, 2023 and 2022, respectively, and total operating revenues of NT\$2,716,671 thousand and NT\$2,864,327 thousand, constituting 22.70% and 21.92% of consolidated operating revenues for the years ended December 31, 2023 and 2022,

respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing of 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 consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated 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 internal control of the Group.
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 ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 2023 consolidated financial statements 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.

Others

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of Faraday Technology Corporation as of and for the years ended December 31, 2023 and 2022.

/s/Hu, Shen-Chieh

/s/Yang, Yu-Ni

Ernst & Young, Taiwan

February 20, 2024

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying consolidated financial statements are intended only to present the financial position, results of operations 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 consolidated financial statements are those generally accepted and applied in the Republic of China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2023 and December 31, 2022

(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2023	December 31, 2022			December 31, 2023	December 31, 2022
Current assets				Current liabilities			
Cash and cash equivalents	4, 6(1)	\$ 5,714,806	\$ 4,872,818	Short-term loans	6(11), 12	\$ 94,872	\$ 127,241
Financial assets at fair value through profit or loss, current	4, 6(2)	29,590	21,889	Financial liabilities at fair value through profit or loss, current	4, 6(2)	-	1,896
Contract assets, current	4, 6(16), 6(17)	2,961	4,173	Contract liabilities, current	4, 6(16)	787,110	1,452,266
Accounts receivable, net	4, 6(4), 6(17)	1,282,393	1,163,789	Notes payable		4	4
Accounts receivable - related parties, net	4, 6(4), 6(17), 7	277,008	189,927	Accounts payable		646,568	618,932
Other receivables		80,145	156,591	Accounts payable - related parties	7	352,220	510,387
Inventories, net	4, 5, 6(5)	1,187,210	3,016,901	Payables on equipment		35,371	7,697
Other current assets	6(6), 7	188,560	204,786	Other payables	6(12), 7	833,571	925,105
Costs to fulfil a contract, current	6(16)	110,758	123,358	Current tax liabilities	4, 6(22)	433,648	450,230
Total current assets		8,873,431	9,754,232	Lease liabilities, current	4, 6(18), 12	29,246	49,862
				Other current liabilities		23,212	12,257
Non-current assets				Total current liabilities		3,235,822	4,155,877
Financial assets at fair value through other comprehensive income, non-current	4, 6(3)	2,574,066	1,953,282				
Financial assets measured at amortized cost, non-current	4, 6(7), 8	119,075	69,752	Non-current liabilities			
Property, plant and equipment	4, 6(8)	552,569	514,367	Deferred tax liabilities	4, 6(22)	35,371	22,125
Right-of-use assets	4, 6(18)	311,269	255,483	Lease liabilities, non-current	4, 6(18), 12	199,673	217,379
Intangible assets	4, 6(9), 7	683,280	614,985	Long-term payables	6(12)	92,645	148,827
Deferred tax assets	4, 6(22)	108,699	47,345	Total non-current liabilities		327,689	388,331
Refundable deposits	7	126,756	139,064	Total liabilities		3,563,511	4,544,208
Net defined benefit assets, non-current	4, 6(13)	16,910	18,057				
Other non-current assets	6(10)	52,006	146,238	Equity attributable to the parent company			
Total non-current assets		4,544,630	3,758,573	Capital	6(14)		
				Common stock		2,485,503	2,485,503
				Additional paid-in capital	6(14)	705,700	705,700
				Retained earnings	6(14)		
				Legal reserve		1,914,531	1,667,419
				Unappropriated earnings		3,361,010	3,262,319
				Other components of equity		1,066,647	478,245
				Total equity attributable to the parent company		9,533,391	8,599,186
				Non-controlling interests	6(14)	321,159	369,411
				Total equity		9,854,550	8,968,597
Total assets		\$ 13,418,061	\$ 13,512,805	Total liabilities and equity		\$ 13,418,061	\$ 13,512,805

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

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	Note	For the years ended December 31	
		2023	2022
Operating revenues	4, 6(16), 7	\$ 11,965,574	\$ 13,065,155
Operating costs	6(5), 6(9), 6(19), 7	(6,658,432)	(6,689,746)
Gross profit		5,307,142	6,375,409
Operating expenses	6(9), 6(19), 7		
Selling expenses		(451,535)	(475,455)
Administrative expenses		(531,282)	(542,262)
Research and development expenses		(2,362,449)	(2,422,237)
Expected credit losses	6(17)	(6,116)	(14,041)
Total operating expenses		(3,351,382)	(3,453,995)
Operating income		1,955,760	2,921,414
Non-operating income and expenses			
Interest income	6(20)	65,224	33,175
Other income	6(20)	104,629	115,072
Other gains and losses	6(20)	(41,962)	(5,822)
Finance costs	6(20)	(13,307)	(6,367)
Total non-operating income and expenses		114,584	136,058
Income before income tax		2,070,344	3,057,472
Income tax expense	4, 6(22)	(509,060)	(547,004)
Net income		1,561,284	2,510,468
Other comprehensive income (loss)	4, 6(21)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		(1,146)	20,657
Unrealized gains (loss) from equity instruments investments measured at fair value through other comprehensive income		620,784	(962,156)
Income tax relating to items that will not be reclassified to profit or loss		229	(4,132)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(44,849)	75,557
Income tax relating to items that may be reclassified to profit or loss		8,096	-
Other comprehensive income (loss) (net of income tax)		583,114	(870,074)
Total comprehensive income		\$ 2,144,398	\$ 1,640,394
Net income attributable to:			
Stockholders of the parent		\$ 1,589,472	\$ 2,454,597
Non-controlling interests		(28,188)	55,871
		\$ 1,561,284	\$ 2,510,468
Comprehensive income (loss) attributable to:			
Stockholders of the parent		\$ 2,176,957	\$ 1,579,430
Non-controlling interests		(32,559)	60,964
		\$ 2,144,398	\$ 1,640,394
Earnings per share (NT\$)	6(23)		
Earnings per share-basic		\$ 6.39	\$ 9.88
Earnings per share-diluted		\$ 6.37	\$ 9.77

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

	Equity Attributable to the Parent							Non-Controlling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings		Other Equity		Total		
			Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets Measured at Fair Value through Other Comprehensive Income			
Balance as of January 1, 2022	\$ 2,485,503	\$ 705,700	\$ 1,551,782	\$ 1,727,050	\$ (126,059)	\$ 1,495,996	\$ 7,839,972	\$ 315,327	\$ 8,155,299
Appropriation and distribution of 2021 retained earnings									
Legal reserve	-	-	115,637	(115,637)	-	-	-	-	-
Cash dividends	-	-	-	(820,216)	-	-	(820,216)	-	(820,216)
Net income in 2022	-	-	-	2,454,597	-	-	2,454,597	55,871	2,510,468
Other comprehensive income (loss) in 2022	-	-	-	16,525	70,464	(962,156)	(875,167)	5,093	(870,074)
Total comprehensive income (loss) in 2022	-	-	-	2,471,122	70,464	(962,156)	1,579,430	60,964	1,640,394
Non-controlling interests	-	-	-	-	-	-	-	(6,880)	(6,880)
Balance as of December 31, 2022	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,667,419</u>	<u>\$ 3,262,319</u>	<u>\$ (55,595)</u>	<u>\$ 533,840</u>	<u>\$ 8,599,186</u>	<u>\$ 369,411</u>	<u>\$ 8,968,597</u>
Balance as of January 1, 2023	\$ 2,485,503	\$ 705,700	\$ 1,667,419	\$ 3,262,319	\$ (55,595)	\$ 533,840	\$ 8,599,186	\$ 369,411	\$ 8,968,597
Appropriation and distribution of 2022 retained earnings									
Legal reserve	-	-	247,112	(247,112)	-	-	-	-	-
Cash dividends	-	-	-	(1,242,752)	-	-	(1,242,752)	-	(1,242,752)
Net income (loss) in 2023	-	-	-	1,589,472	-	-	1,589,472	(28,188)	1,561,284
Other comprehensive income (loss) in 2023	-	-	-	(917)	(32,382)	620,784	587,485	(4,371)	583,114
Total comprehensive income (loss) in 2023	-	-	-	1,588,555	(32,382)	620,784	2,176,957	(32,559)	2,144,398
Non-controlling interests	-	-	-	-	-	-	-	(15,693)	(15,693)
Balance as of December 31, 2023	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,914,531</u>	<u>\$ 3,361,010</u>	<u>\$ (87,977)</u>	<u>\$ 1,154,624</u>	<u>\$ 9,533,391</u>	<u>\$ 321,159</u>	<u>\$ 9,854,550</u>

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

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31		Description	For the years ended December 31	
	2023	2022		2023	2022
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 2,070,344	\$ 3,057,472	Acquisition of financial assets measured at amortized cost	\$ (50,000)	\$ (54,112)
Adjustments for non-cash gain or loss:			Proceeds from principal of financial assets measured at amortized cost upon maturity	-	173,800
Depreciation	123,123	118,856	Acquisition of property, plant and equipment	(49,312)	(85,575)
Amortization	378,583	353,856	Proceeds from disposal of property, plant and equipment	36	-
Expected credit loss	6,116	14,041	Decrease (increase) in refundable deposits	12,308	(24,043)
(Gain) loss on financial assets and liabilities at fair value through profit or loss	(5,022)	6,303	Acquisition of intangible assets	(616,775)	(387,012)
Interest expense	13,307	6,367	Net cash used in investing activities	(703,743)	(376,942)
Interest income	(65,224)	(33,175)			
Dividend income	(72,163)	(90,321)	Cash flows from financing activities:		
Share-based payment expenses	(15,693)	43,181	(Decrease) increase in short-term loans	(30,083)	127,241
Others	(1,366)	(1,663)	Cash payments for the principal portion of the lease liabilities	(148,446)	(38,744)
Changes in operating assets and liabilities:			Cash dividends	(1,242,752)	(820,216)
Contract assets	1,212	29,115	Change in non-controlling interests	-	(50,061)
Notes receivable	-	4,030	Net cash used in financing activities	(1,421,281)	(781,780)
Accounts receivable	(124,720)	(396,843)	Effect of exchange rate changes on cash and cash equivalents	(40,145)	68,780
Accounts receivable - related parties	(87,081)	(36,360)			
Other receivables	78,881	(78,698)	Net increase in cash and cash equivalents	841,988	109,738
Inventories	1,829,691	(1,696,211)	Cash and cash equivalents at beginning of the year	4,872,818	4,763,080
Prepayments	79,119	43,495	Cash and cash equivalents at end of the year	\$ 5,714,806	\$ 4,872,818
Other current assets	(22,071)	(8,497)			
Costs to fulfil a contract	12,600	(81,946)			
Other operating assets	1,481	-			
Financial liabilities held for trading	(4,575)	-			
Contract liabilities	(665,156)	141,546			
Notes payables	-	1			
Accounts payable	27,636	(225,712)			
Accounts payable - related parties	(158,167)	(16,891)			
Other payables	28,363	219,865			
Other current liabilities	10,956	1,406			
Defined benefit liabilities	-	(2,488)			
Cash generated from operations	3,440,174	1,370,729			
Interest received	62,789	32,944			
Dividend received	72,163	90,321			
Interest paid	(13,307)	(6,367)			
Income tax paid	(554,662)	(287,947)			
Net cash provided by operating activities	3,007,157	1,199,680			

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

Annex 3.5: 2023 Parent Company Only Financial Statements with report of Independent Auditors

Independent Auditors' Report Originally Issued in Chinese

To Faraday Technology Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Faraday Technology Corporation (the “Company”) as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the parent company only financial statements, including the summary of material accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, 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 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Operating revenues recognized by the Company amounted to NT\$10,334,478 thousand for the year ended December 31, 2023, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$7,701,979 thousand, NT\$1,356,630 thousand and NT\$1,275,869 thousand, constituting 74.53%, 13.13% and 12.34% of operating revenues, respectively. Revenue is the main operating activity of the Company. Revenue includes application-specific integrated circuit (ASIC) products, and the services include non-recurring engineering (NRE) and silicon intellectual property license (IP). Revenue includes different sources such as sale of goods and services provided, and judgement is exercised to determine the performance obligations and when those were satisfied. As a result, we determined the matter to be a key audit matter.

Our audit procedures included (but not limited to), assessing the appropriateness of the accounting policies of revenue recognition for sales of goods, rendering of services and silicon intellectual property license, testing the operating effectiveness of internal controls established by management for sale of goods, rendering of services and silicon intellectual property license, performing analytical procedures of gross margin by product, selecting samples to perform test of details including identification of performance obligations in contracts and verification of when performance obligations were satisfied, reviewing significant service agreements for terms of contracts, project milestones and relevant communication information with the Company's customers for service provided, and inspecting evidence of client acceptance for deliverables, shipping documents and invoices to verify the accuracy of cut-off revenue time, etc. We also assessed the adequacy of accounting policy and disclosures of operating revenues. Please refer to Note 4(16) and Note 6(16).

Other Matter – Making Reference to the Audits of Other Auditors

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. These subsidiaries, associates and joint ventures under equity method amounted to NT\$459,592 thousand and NT\$423,158 thousand, representing 3.73% and 3.57% of total assets as of December 31, 2023 and 2022, respectively. The related shares of profits from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$113,648 thousand and NT\$131,340 thousand, representing 5.83% and 4.63% of the net income before tax for the years ended December 31,

2023 and 2022, respectively, and the related shares of other comprehensive income from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$(10,182) thousand and NT\$52,660 thousand, representing (1.73)% and (6.02)% of the other comprehensive income, for the years ended December 31, 2023 and 2022, respectively.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 Standards on Auditing of 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 parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

7. Identify and assess the risks of material misstatement of the parent company only 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.

8. 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 internal control of the Company.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only 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 Company to cease to continue as a going concern.
11. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 2023 parent company only financial statements 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.

/s/ Hu, Shen-Chieh

/s/ Yang, Yu-Ni

Ernst & Young, Taiwan

February 20, 2024

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying parent company only financial statements are intended only to present the financial position, results of operations 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2023 and December 31, 2022
(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2023	December 31, 2022			December 31, 2023	December 31, 2022
Current assets				Current liabilities			
Cash and cash equivalents	4, 6(1)	\$ 3,354,646	\$ 2,244,993	Financial liabilities at fair value through profit or loss, current	4, 6(2)	\$ -	\$ 1,896
Financial assets at fair value through profit or loss, current	4, 6(2)	7,294	-	Contract liabilities, current	4, 6(16), 7	374,378	659,335
Contract assets, current	4, 6(16), 6(17), 7	26,531	40,546	Accounts payable		628,176	612,859
Accounts receivable, net	4, 6(4), 6(17)	362,904	422,867	Accounts payable - related parties	7	310,069	432,172
Accounts receivable - related parties, net	4, 6(4), 6(17), 7	1,167,399	1,126,534	Payables on equipment		34,790	7,697
Other receivables	7	106,297	153,948	Other payables	6(13), 7	727,079	807,790
Inventories, net	4, 5, 6(5)	701,481	2,340,153	Current tax liabilities	4, 6(22)	386,126	352,399
Other current assets	6(6), 7	145,179	210,137	Lease liabilities, current	4, 6(18), 12	5,475	6,280
Costs to fulfil a contract, current	6(16)	92,222	69,859	Other current liabilities		12,620	7,921
Total current assets		5,963,953	6,609,037	Total current liabilities		2,478,713	2,888,349
Non-current assets				Non-current liabilities			
Financial assets at fair value through other comprehensive income, non-current	4, 6(3), 12	2,464,586	1,861,071	Deferred tax liabilities	4, 6(22)	34,353	15,956
Financial assets measured at amortized cost, non-current	4, 6(7), 8, 12	75,195	25,072	Lease liabilities, non-current	4, 6(18), 12	171,046	188,754
Investments accounted for using the equity method	4, 6(8)	2,219,700	1,820,242	Long-term payables	6(13)	92,645	148,827
Property, plant and equipment	4, 6(9)	527,472	476,181	Total non-current liabilities		298,044	353,537
Right-of-use assets	4, 6(18)	167,786	187,717	Total liabilities		2,776,757	3,241,886
Intangible assets	4, 6(10)	643,678	569,762	Equity			
Deferred tax assets	4, 6(22)	99,199	33,933	Capital	6(15)		
Refundable deposits		79,790	95,370	Common stock		2,485,503	2,485,503
Defined benefit assets, non-current	4, 6(14)	16,910	18,057	Additional paid-in capital	6(15)	705,700	705,700
Other non-current assets	6(11)	51,879	144,630	Retained earnings	6(15)		
Total non-current assets		6,346,195	5,232,035	Legal reserve		1,914,531	1,667,419
				Unappropriated earnings		3,361,010	3,262,319
				Other components of equity		1,066,647	478,245
				Total equity		9,533,391	8,599,186
Total assets		\$ 12,310,148	\$ 11,841,072	Total liabilities and equity		\$ 12,310,148	\$ 11,841,072

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	Note	For the years ended December 31	
		2023	2022
Operating revenues, net	4, 6(16), 7	\$ 10,334,478	\$ 11,466,455
Operating costs	6(5), 6(19), 7	(6,026,492)	(6,341,228)
Gross profit		4,307,986	5,125,227
Unrealized gross profit on sales		(19,062)	(52,486)
Gross profit, net		4,288,924	5,072,741
Operating expenses	6(10), 6(19), 7		
Selling expenses		(214,263)	(228,158)
Administrative expenses		(356,913)	(403,908)
Research and development expenses		(2,047,249)	(2,001,853)
Expected credit loss	6(17)	(3,854)	(4,927)
Total operating expenses		(2,622,279)	(2,638,846)
Operating income		1,666,645	2,433,895
Non-operating income and expenses			
Interest income	6(20)	28,854	7,259
Other income	6(20)	78,033	97,608
Other gains and losses	6(20)	(39,138)	(12,052)
Financial costs	6(20)	(4,026)	(4,285)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method		218,567	315,094
Total non-operating income and expenses		282,290	403,624
Income before income tax		1,948,935	2,837,519
Income tax expense	4, 6(22)	(359,463)	(382,922)
Net income		\$ 1,589,472	\$ 2,454,597
Other comprehensive income (loss)	4, 6(21)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		(1,146)	20,657
Unrealized gain (loss) from equity instruments investment measured at fair value through other comprehensive income		603,515	(914,736)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		17,269	(47,420)
Income tax relating to items that will not be reclassified to profit or loss		229	(4,132)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(19,736)	53,847
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		(20,742)	16,617
Income tax relating to items that may be reclassified to profit or loss		8,096	-
Other comprehensive income (loss) (net of income tax)		587,485	(875,167)
Total comprehensive income		\$ 2,176,957	\$ 1,579,430
Earnings per share (NT\$)	6(23)		
Earnings per share-basic		\$ 6.39	\$ 9.88
Earnings per share-diluted		\$ 6.37	\$ 9.77

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

	Common Stock	Additional Paid-in Capital	Retained Earnings		Other Equity		Total Equity
			Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets Measured at Fair Value through Other Comprehensive Income	
Balance as of January 1, 2022	\$ 2,485,503	\$ 705,700	\$ 1,551,782	\$ 1,727,050	\$ (126,059)	\$ 1,495,996	\$ 7,839,972
Appropriation and distribution of 2021 retained earnings							
Legal reserve	-	-	115,637	(115,637)	-	-	-
Cash dividends	-	-	-	(820,216)	-	-	(820,216)
Net income in 2022	-	-	-	2,454,597	-	-	2,454,597
Other comprehensive income (loss) in 2022	-	-	-	16,525	70,464	(962,156)	(875,167)
Total comprehensive income (loss) in 2022	-	-	-	2,471,122	70,464	(962,156)	1,579,430
Balance as of December 31, 2022	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,667,419</u>	<u>\$ 3,262,319</u>	<u>\$ (55,595)</u>	<u>\$ 533,840</u>	<u>\$ 8,599,186</u>
Balance as of January 1, 2023	\$ 2,485,503	\$ 705,700	\$ 1,667,419	\$ 3,262,319	\$ (55,595)	\$ 533,840	\$ 8,599,186
Appropriation and distribution of 2022 retained earnings							
Legal reserve	-	-	247,112	(247,112)	-	-	-
Cash dividends	-	-	-	(1,242,752)	-	-	(1,242,752)
Net income in 2023	-	-	-	1,589,472	-	-	1,589,472
Other comprehensive income (loss) in 2023	-	-	-	(917)	(32,382)	620,784	587,485
Total comprehensive income (loss) in 2023	-	-	-	1,588,555	(32,382)	620,784	2,176,957
Balance as of December 31, 2023	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,914,531</u>	<u>\$ 3,361,010</u>	<u>\$ (87,977)</u>	<u>\$ 1,154,624</u>	<u>\$ 9,533,391</u>

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31		Description	For the years ended December 31	
	2023	2022		2023	2022
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 1,948,935	\$ 2,837,519	Acquisition of financial assets measured at amortized cost	\$ (50,000)	\$ (10,022)
Adjustments for non-cash gain or loss:			Acquisition of investments accounted for using equity method	(334,505)	-
Depreciation	59,912	60,849	Proceeds from capital return of investments accounted for using the equity method	-	266,183
Amortization	351,532	289,399	Acquisition of property, plant and equipment	(43,360)	(60,653)
Expected credit loss	3,854	4,927	Decrease (increase) in refundable deposits	15,580	(28,336)
(Gain) loss on financial assets and liabilities at fair value through profit or loss	(4,616)	3,320	Acquisition of intangible assets	(601,527)	(321,854)
Interest expense	4,026	4,285	Net cash used in investing activities	(1,013,812)	(154,682)
Interest income	(28,854)	(7,259)			
Dividend income	(72,163)	(90,321)			
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(218,567)	(315,094)	Cash flows form financing activities:		
Unrealized gross profit on sales	19,062	52,486	Cash payments for principal portion of the lease liabilities	(6,253)	(6,109)
Others	(9)	-	Cash dividends	(1,242,752)	(820,216)
Changes in operating assets and liabilities:			Net cash used in financing activities	(1,249,005)	(826,325)
Contract assets	14,015	35,084	Effect of exchange rate changes on cash and cash equivalents	-	(5,013)
Notes receivable	-	4,030			
Accounts receivable	56,109	(78,581)	Net increase in cash and cash equivalents	1,109,653	359,595
Accounts receivable - related parties	(40,865)	(490,985)	Cash and cash equivalents at beginning of the year	2,244,993	1,885,398
Other receivables	49,675	(82,302)	Cash and cash equivalents at end of the year	\$ 3,354,646	\$ 2,244,993
Inventories	1,638,672	(1,131,742)			
Prepayment	79,119	52,565			
Other current assets	45,520	(43,516)			
Costs to fulfil a contract	(22,363)	(49,039)			
Financial liabilities held for trading	(4,574)	-			
Contract liabilities	(284,957)	186,591			
Accounts payable	15,317	(223,225)			
Accounts payable - related parties	(122,103)	(54,994)			
Other payables	39,187	179,593			
Other current liabilities	4,699	(191)			
Defined benefit liabilities	-	(2,488)			
Cash generated from operations	3,530,563	1,140,911			
Interest received	26,707	7,028			
Dividend received	183,506	378,804			
Interest paid	(4,026)	(4,285)			
Income tax paid	(364,280)	(176,843)			
Net cash provided by operating activities	3,372,470	1,345,615			

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

Annex 3.6: 2023 Statement of Porfit Distribution

FARADAY TECHNOLOGY CORPORATION 2023 Statement of Porfit Distribution

Unit : NT\$ dollars	
Item	Amount
Unappropriated earnings - beginning	1,772,454,988
Add: Re-measured amount of the defined benefit plan	(917,194)
Unappropriated earnings after adjustment	1,771,537,794
Net Income After Tax	1,589,472,307
Less: Appropriated legal reserve	(158,855,511)
Distributable Earning	3,202,154,590
Distributions:	
Cash dividend to shareholders (NT\$4.5/per share)	(1,118,476,409)
Unappropriated earnings - ending	2,083,678,181

1. According to the provisions of the Taiwan Finance and Taxation No. 871941343 Letter dated 4.30.1998 by the Ministry of Finance, the surplus earnings distribution should be recognized with the specific recognition method. The surplus earnings distribution principle of the Company is to distribute the surplus earnings accumulated after 1998 first, and the surplus earnings accumulated before 1998 will be distributed only if there is insufficient amount for distribution.
2. If the number of outstanding shares is affected by the repurchase of the Company's shares, the transfer, conversion, and cancellation of treasury shares, and issuance or cancellation of new shares with restrictions on employee rights, and cash capital increase resulting in changes in the equity yield rate, the Chairman will be authorized to handle it fully.
3. The current cash dividend is calculated according to the distribution ratio and rounded up to the dollar, and the total amount of the odd share that is for less than NT\$1 is transferred to the Employee Welfare Committee of Faraday.
4. The Chairman may be authorized to determine the base date for cash dividend payment and the date for stock dividend payment.
5. It was approved in the Board Meeting by 12th, December, 2023. It is proposed that the Chairman be authorized by the Board of Directors to resolve the base date of cash capital increase, the distribution date, and other relevant issues; if the number of outstanding common shares of Faraday's changes and the payout ratio changes accordingly, the chairman is also authorized with full power to adjust it.

Chairman:
Chia-Tsung Hung

President:
Kuo-Yung Wang

Accounting Supervisor:
Wen-Ju Tseng

Annex 3.7: Comparison Table for Amended Articles of “Corporate Governance Best-Practice Principles”

Faraday Technology Corporation Comparison Table for Amended Articles of “Corporate Governance Best-Practice Principles”

Content of Article after Amendment	Content of Article before Amendment	Description
<p>Article 3-1 The Company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the company, business situations and management needs, and shall appoint in accordance with the requirements of the competent authorities, TWSE, a chief corporate governance officer as the most senior officer to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in handling legal affairs, legal compliance, internal audit, financial affairs, stock affairs, or corporate governance affairs. It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:</p> <ol style="list-style-type: none"> (1) Handling matters relating to board meetings and shareholders’ meetings according to laws. (2) Producing minutes of board meetings and shareholders’ meetings. (3) Assisting in onboarding and continuous development of directors and supervisors. (4) Furnishing information 	<p>Article 3-1 The Company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the company, business situations and management needs, and shall appoint in accordance with the requirements of the competent authorities, TWSE, a chief corporate governance officer as the most senior officer to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in handling legal affairs, legal compliance, internal audit, financial affairs, stock affairs, or corporate governance affairs. It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:</p> <ol style="list-style-type: none"> (1) Handling matters relating to board meetings and shareholders’ meetings according to laws. (2) Producing minutes of board meetings and shareholders’ meetings. (3) Assisting in onboarding and continuous development of directors and supervisors. (4) Furnishing information 	<p>According to Reference No. 1100024981 announced by Taiwan Stock Exchange Corporation, in compliance with the Corporate Governance 3.0 - Sustainable Development Roadmap, the qualifications of independent directors will be included in the corporate governance supervisory function; in addition, to strengthen the corporate governance supervisory function, the changes of the directors will be included, and Subparagraph 6 and 7 are added, respectively.</p>

Content of Article after Amendment	Content of Article before Amendment	Description
<p>required for business execution by directors and supervisors.</p> <p>(5) Assisting directors and supervisors with legal Compliance.</p> <p>(6) <u>Report to the board of directors the review results on whether the qualifications of independent directors comply with relevant laws and regulations at the time of nomination, election and during their tenure.</u></p> <p>(7) <u>Handle matters relating to change of directors.</u></p> <p>(8) Other matters set out in the articles or corporation or contracts.</p>	<p>required for business execution by directors and supervisors.</p> <p>(5) Assisting directors and supervisors with legal compliance.</p> <p>(6) Other matters set out in the articles or corporation or contracts.</p>	
Section 3 Corporate Governance Relationships Between the Company and Its Affiliated Persons.	Section 3 Corporate Governance Relationships Between the Company and Its Affiliated Enterprises.	Revised the name of this section according to Reference No. 1110024366 announced by Taiwan Stock Exchange Corporation.
Article 17 When the Company and its affiliated <u>persons and shareholders</u> enter into inter-company business transactions or <u>dealings</u> , a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions and <u>improper channeling of profits</u> shall be prohibited.	Article 17 When the Company and its affiliated <u>enterprises</u> enter into inter-company business transactions, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited. <u>All transactions or contracts made by and between the Company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and the channeling of profits is strictly</u>	<p>(1) According to Reference No. 1110024366 announced by Taiwan Stock Exchange Corporation, to strengthen the management of the Company's affiliated persons, a written agreement governing the transactions between the Company and its affiliated persons and shareholders shall also be made; moreover, the scope of the affiliated persons originally include its affiliated enterprises. Therefore, merge the current Paragraph 2 into Paragraph 1 and amend the wording.</p> <p>(2) Added Paragraph 2 to stipulate that the written</p>

Content of Article after Amendment	Content of Article before Amendment	Description
<p><u>The written specification in the preceding paragraph shall include the management procedures for transactions such as purchase and sale of goods, acquisition or disposal of assets, capital lending, and endorsement guarantees, and relevant major transactions shall be submitted to the board of directors for resolution and approval, and to the shareholders' meeting for approval or report.</u></p>	<p><u>prohibited.</u></p> <p><u>Paragraph added</u></p>	<p>specifications in the preceding paragraph shall include management procedures for relevant transactions, and relevant major transactions shall be submitted to the board of directors for resolutions and approval, and to the shareholders' meeting for approval or report.</p>
<p>Article 29</p> <p>Paragraph 1 ~ 4: Omitted</p> <p>The Company shall periodically (at least once a year) <u>refer to Audit Quality Indicators (AQIs)</u> and evaluate the independence and suitability of the CPA engaged by the Company. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the Board of Directors.</p>	<p>Article 29</p> <p>Paragraph 1 ~ 4: Omitted</p> <p>The Company shall periodically (at least once a year) evaluate the independence and suitability of the CPA engaged by the Company. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the Board of Directors.</p>	<p>According to Reference No. 1110024366 announced by Taiwan Stock Exchange Corporation, in order to improve the transparency of audit quality, the audit committee may refer to the AQIs information provided by the CPA firm when evaluating the change of CPA firms.</p>

Annex 3.8: Comparison Table for Amended Articles of “Procedures for Ethical Management and Guidelines for Conduct”

Faraday Technology Corporation Comparison Table for Amended Articles of “Procedures for Ethical Management and Guidelines for Conduct”

Content of Article after Amendment	Content of Article before Amendment	Description
<p>Article 1</p> <p>Paragraph 1: Omitted</p> <p>The application scope of these Procedures and Guidelines includes the subsidiaries of the Company <u>and other institutions or juridical persons which are substantially controlled by such company.</u></p>	<p>Article 1</p> <p>Paragraph 1: Omitted</p> <p>The application scope of these Procedures and Guidelines includes the subsidiaries of the Company.</p>	To stipulate the application scope of these Procedures and Guidelines.
<p>Article 2</p> <p>The <u>so called</u> personnel of the Company in these Procedures and Guidelines <u>are referred to</u> director, managerial officer, employee, mandatary or person having substantial control, of the Company and <u>business group and organizations.</u></p> <p>Omitted below.</p>	<p>Article 2</p> <p>These Procedures and Guidelines are <u>applicable for all</u> personnel of the Company, <u>including</u> director, managerial officer, employee, mandatary or person having substantial control, of the Company or <u>its subsidiaries.</u></p> <p>Omitted below.</p>	To stipulate the scope of “personnel of the Company” in these Procedures and Guidelines
<p>Article 5</p> <p>The Company shall designate ethical management team as the solely responsible unit (hereinafter, “responsible unit”) <u>and allocate sufficient resource and competent personnel</u> 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 <u>shall</u> submit regular <u>(at least</u></p>	<p>Article 5</p> <p>The Company shall designate ethical management team as the solely responsible unit (hereinafter, “responsible unit”) 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 to the board of directors:</p> <p>(1) Assisting in incorporating</p>	(1) According to Reference No. 1090002299 announced for amendment by Taiwan Stock Exchange Corporation, in compliance with Article 17 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies”, providing sufficient resources and qualified personnel

Content of Article after Amendment	Content of Article before Amendment	Description
<p><u>once a year</u>) reports to the board of directors:</p> <p>(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.</p> <p>(2) <u>Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly</u> to adopt programs to prevent unethical conduct <u>as well as</u> 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</p>	<p>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.</p> <p>(2) Adopting programs to prevent unethical conduct <u>and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</u></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</p>	<p>for the responsible unit, and report to the board of directors at least once per year, and amend the preamble of this article.</p> <p>(2) In compliance with Article 17 of the "Ethical Corporate</p> <p>(3) Management Best Practice Principles for TWSE/TPEX Listed Companies", the main matters handled by the responsible unit include periodic analysis and evaluation of the risks of unethical conduct within the business scope, and the amendments have been revised and moved to the current Paragraph 2.</p> <p>(4) In compliance with Article 8 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", documented information shall be prepared and properly kept regarding ethical management policies, statements, commitments and implementation; and Paragraph 7 is added.</p>

Content of Article after Amendment	Content of Article before Amendment	Description
<p>management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p> <p>(7) <u>Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement etc.</u></p>	<p>procedures.</p> <p><u>Paragraph added.</u></p>	
<p>Article 11 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 <u>in a matter under discussion</u> 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.</p> <p><u>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</u></p>	<p>Article 11 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 <u>in the listed proposal</u>, 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.</p> <p><u>Paragraph added.</u></p>	<p>(1) According to amendment of Reference No. 1090002299 announced by Taiwan Stock Exchange Corporation, in compliance with Article 16, Paragraph 1 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies, and amend wording for Paragraph 1 of this Article.</p> <p>(2) In compliance with Article 206, Paragraph 3 of the Company Act, adding Paragraph 2 of this Article to clearly specify that 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,</p>

Content of Article after Amendment	Content of Article before Amendment	Description
<p><u>paragraph, such director shall be deemed to have a personal interest in the matter.</u></p> <p>Omitted below.</p>	Omitted below.	<p>such director shall be deemed to have a personal interest in the matter.</p> <p>(3) Move current Paragraph 2 to Paragraph 3, and the content is not revised; move current Paragraph 3 to Paragraph 4, and the content is not revised.</p>
<p>Article 12</p> <p>Paragraph 1: Omitted.</p> <p><u>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.</u></p>	<p>Article 12</p> <p>Paragraph 1: Omitted.</p> <p><u>Paragraph added.</u></p>	<p>According to amendment of Reference No. 1040001716 announced by Taiwan Stock Exchange Corporation, merge the content of the original Article 13 and amend wording.</p>
<p>Article 13</p> <p><u>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.</u></p>	<p>Article 13</p> <p><u>All personnel of the Company shall faithfully follow the operational directions of the Company's trade secret, and may not disclose to any other party any trade secrets of the Company of which they have learned, nor may they inquire about or collect any trade secrets of the Company unrelated to their individual duties.</u></p>	<p>According to amendment of Reference No. 1040001716 announced by Taiwan Stock Exchange Corporation, merge the content of the original Article 13 to Paragraph 1 of Article 12 and amend wording; in addition, amend content of this article in compliance with Article 15 of the "Ethical Corporate Management Best Practice Principles"</p>

Content of Article after Amendment	Content of Article before Amendment	Description
		for TWSE/TPEX Listed Companies” regarding the prohibition against unfair competition.

Annex 3.9: List of 12th Directors (including Independent Directors) Candidates

Title	Name	Shares	Education, Experience and Current position
Director	United Microelectronics Corporation	35,962,705	N/A
	Representative: Chia-Tsung Hung	—	<p><u>Education</u> Honorary Doctorate of National Tsing Hua University</p> <p><u>Experience</u> CFO & SVP, United Microelectronics Corporation Chairman, ITE Tech Inc. Chairman, Crystalwise Technology Inc. Director, EPISTAR Corporation</p> <p><u>Current position</u> Chairman & Chief Strategic Officer, United Microelectronics Corporation Chairman & Chief Strategic Officer, Faraday Technology Corporation Chairman & Chief Strategic Officer, Silicon Integrated Systems Corporation Chairman, Hong Cheng Venture Capital Chairman, Hong Ding Venture Capital Director, Triknight Capital Corporation. Executive Director, United Semiconductor (Shandong) Chairman, UMC Capital Corp. Director, United Microelectronics (Europe) B.V.</p>
Director	United Microelectronics Corporation	35,962,705	N/A
	Representative: Ying-Sheng Shen	—	<p><u>Education</u> EMBA Master of Business Administration, National Taiwan University</p> <p><u>Experience</u> SAVP, United Microelectronics Corporation</p> <p><u>Current position</u> VP, United Microelectronics Corporation Director, Faraday Technology Corporation</p>
Director	Unimicron Technology Corp.	124,634	N/A
	Representative: Zhen-Li Huang	—	<p><u>Education</u> Ph.D. of Accounting , University of Warwick</p>

Title	Name	Shares	Education, Experience and Current position
			<u>Experience</u> CPA, Zheng Ji Accounting Firm Independent Director, United Microelectronics Corporation <u>Current position</u> Professor of Accounting, Tamkang University Director, Faraday Technology Corporation
Director	Kuo-Yung Wang	401,783	<u>Education</u> Master of Industrial Engineering, National Tsing Hua University <u>Experience</u> VP, United Microelectronics Corporation <u>Current position</u> President, Faraday Technology Corporation Director, Faraday Technology Corporation Chairman, Sheng Bang Investment Corporation Chairman, Chih Hung Investment Corporation Chairman, United Business Service Corporation (Chongqing) Chairman, Artery Technology Corporation, Ltd. (Chongqing) Chairman, Artery Technology Company Chairman, Artery Technology Corporation-Cayman Chairman, Sinble Technology Pte. Ltd.
Director	Shih-Chin Lin	212,786	<u>Education</u> Master of Electrophysics, National Chiao Tung University <u>Experience</u> Senior Director, United Microelectronics Corporation <u>Current position</u> COO, Faraday Technology Corporation Chairman, Innopower Technology Corporation Chairman, Innopower Technology Corporation (Chongqing) Chairman, Faraday Technology China Corporation Chairman, Faraday Technology Japan Corp. Chairman, FaradayTek Solutions India Private Limited Director, Faraday Technology Corporation (Suzhou) Director, United Business Service Corporation (Chongqing) Director, Sinble Technology Pte. Ltd.

Title	Name	Shares	Education, Experience and Current position
Director	Wen-Ju Tseng	71,383	<p><u>Education</u> Master degree from College of Management, National Yang Ming Chiao Tung University</p> <p><u>Experience</u> SAVP, Faraday Technology Corporation</p> <p><u>Current position</u> CFO&VP, Faraday Technology Corporation Chairman, Faraday Technology (Mauritius) Corp. Chairman, Faraday Technology (Samoa) Corp. Chairman, Bright Capital Group Limited (BCGL) Chairman, Faraday Technology Corp. (B.V.I.) Director, Artery Technology Corporation Director, Artery Technology Corporation, Ltd. (Chongqing) Director , Artery Technology Company Director, ShiehYung Investment Corporation Director, Sinble Technology Pte. Ltd. Supervisor, Faraday Technology China Corporation Supervisor, Faraday Technology Corporation (Suzhou) Supervisor, United Business Service Corporation (Chongqing) Supervisor, Innopower Technology Corporation (Chongqing) Supervisor, United Creative Solution Corporation (Shanghai) Supervisor, Grain Media Inc. Supervisor, Faraday Technology Japan Corp.</p>
Independent Director	Bing-Kuan Luo	—	<p><u>Education</u> PhD of Management, Shanghai Fudan University</p> <p><u>Experience</u> Independent Director, Shandong Dadi Chinese Salt Industry Corp Director, GenDing Corporation Supervisor, GenDing Corporation Consultant, Ministry of Economic Affairs Consultant, Eastern Taiwan Joint Services Center, Executive Yuan Director, Mega International Investment Trust Co., Ltd Director, Mega Venture Capital Co., Ltd. Chief Investment Officer, Cassida International Capital China Certified M&A Dealmaker</p>

Title	Name	Shares	Education, Experience and Current position
			<u>Current position</u> Chairman, Huashan International Consultant Chairman, Taiwan Independent Director Association CEO, Cassida International Capital Independent Director, Faraday Technology Corporation Independent Director, Hua Nan Commercial Bank Ltd. Independent Director, DFI Inc. Vice Chairman, Taiwan M&A and Private Equity Council (MAPECT) Director, Monte Jade Science & Technology Association of Taiwan
Independent Director	Wan-Fen Zhou	—	<u>Education</u> Executive Master of Business Administration , National Tsing Hua University <u>Experience</u> CFO, Dawning Leading Technology Inc. Deputy Manager, United Microelectronics Corporation Senior Director, King Yuan Electronics Co., Ltd. Supervisor, ShiehYung Investment Corporation Director, Silicon Integrated Systems Corporation <u>Current position</u> AVP, King Yuan Electronics Co., Ltd. Independent Director, Faraday Technology Corporation Supervisor, Hsun Chieh Investment Co., Ltd.
Independent Director	Li-Ying Yeh	—	<u>Education</u> Master of College of Business and Administration, Drexel University <u>Experience</u> Managing Director, Everglory Group Pte. Ltd. Operating officer of Business Finance, Citibank Taiwan Limited SVP of Business Finance, CTBC Bank Co., Ltd. Manager of Customer Relationship, Citibank, Taipei Branch Director of Sales, Comdisco Trade Inc. Taiwan Executive Director, Canadian Imperial Bank of Commerce, Taiwan Branch Assistant Financial Executive, Chase Manhattan Bank, Taiwan Branch <u>Current position</u>

Title	Name	Shares	Education, Experience and Current position
			Chief Executive, Trust Capital Alternative Pte. Ltd. Chairman, Quaxin Logistics CO., Ltd. Director, Trust Capital Alternative Pte. Ltd. Director, Meng & Yume Innovate Pte. Ltd. Director, Private Alternative VCC

Appendix 4.1 : Rules of Procedure for Shareholder Meetings

FARADAY TECHNOLOGY CORPORATION Rules of Procedure for Shareholder Meetings

Article 1

These Rules of procedures for the Company's shareholders' meetings, except as otherwise provided by laws and regulations or the articles of the incorporation, shall be as provided in these Rules.

Article 2

Unless otherwise provided by laws or regulations, the Company's shareholders' meetings shall be convened by the board of directors.

Changing the way of convening a shareholders' meeting for the Company shall be obtained approval from the board of directors no later than sending the shareholders' meeting notice.

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 or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 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 21 days before the date of the regular shareholders' meeting or 15 days before the date of the special shareholders' meeting. In addition, 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 designated professional shareholder services agent.

The shareholders' meeting agenda and supplemental meeting materials in the preceding paragraph, the Company should provide to shareholders for review at the place of a shareholders' meeting by the following ways:

1. When convening a physical shareholders' meeting, the meeting materials shall be distributed on-site at the meeting place.
2. When convening a video-assisted shareholders' meeting, the meeting materials shall be distributed on-site at the meeting place and be transmitted to the video conference platform by the electrical file.
3. 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 paragraph 1, Article 185, of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the matters mentioned above may be raised by an extraordinary motion.

Where re-election of all directors 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 percent 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. When the circumstances of any subparagraph of paragraph 4, Article 172-1, of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting 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.

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 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 two business days before the date of the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting via videoconferencing, a written notice of proxy cancellation shall be submitted to the Company two business days before the date of the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4 (Principles determining the time and place of a shareholders' meeting)

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. or 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.

When the Company convenes a shareholders' meeting via videoconferencing, the venue for a shareholders' meeting in the preceding paragraph has waived.

Article 5 (Preparation of documents such as the attendance book)

The time during which shareholder attendance registrations will be accepted in the preceding paragraph shall be at least 30 minutes before the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For a shareholders' meeting by video conference, the Company shall accept shareholder attendance on the video conference platform 30 minutes before the meeting commences. Shareholders who have completed attendance registrations will be deemed to have attended the meeting in person.

Shareholders shall attend the shareholders' meeting by attendance card, sign-in card, 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 hold a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda, annual report, attendance card, speaker's slip, ballot paper, and other meeting materials. Where there is an election of directors or supervisors, 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.

For convening a shareholders' meeting by video conference, shareholders who intend to attend the meeting via videoconferencing should register to the Company two business days before the date of the shareholders' meeting.

For convening a shareholders' meeting by video conference, the Company shall upload the meeting agenda, annual report, and other relevant information to the video conference platform of a shareholders' meeting at least 30 minutes before the meeting commences, and continuously disclose the meeting data until the end of the meeting.

Article 5-1 (Specified matters for convening a video shareholders' meeting by video conference in the meeting notice)

When the Company convenes a shareholders' meeting by video conference, it shall specify the following matters in the shareholders' meeting notice:

1. Ways of attending a video conference and exercising the right for shareholders.
2. If natural disaster, incident occurring, or other force majeure events that have resulted in malfunction of video conference platform or attending meeting via videoconferencing shall address at least the following matters:
 - (1) When the circumstances mentioned above occur and have resulted in malfunction that cannot be fixed continuously before the meeting, it is necessary to defer or resume the meeting.
 - (2) Shareholders who do not register to attend the original shareholders' meeting by video conference shall not attend the deferred or resumed meeting.
 - (3) For convening a video-assisted shareholders' meeting, if it is unable to resume the meeting via videoconferencing, the number of shares represented by shareholders who attend the meeting via videoconferencing shall be deducted from the total number of shares represented by shareholders attending the meeting. If the total number of shares represented by shareholders attending the meeting has a quorum, the shareholders' meeting shall be resumed. Shareholders who attend the meeting via videoconferencing, the number of shares shall be counted to the total number of shares represented by shareholders attending the meeting, but have waived his/her rights with respect to all proposals of that meeting.
 - (4) Handling method for the following circumstance: All proposal resolutions have announced, but has not proceed to extraordinary motions.
3. When convening a shareholders' meeting via videoconferencing, it shall be specified that shareholders who have difficulty in attending the meeting via videoconferencing shall provide appropriate alternative measures.

Article 6 (The chairman and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the

chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chairman, or, if there are no managing directors, one of the directors shall be appointed to act as chairman. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chairman.

When a managing director or a director serves as chairman, as referred to in the preceding paragraph, the managing director or 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 chairman.

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, at least one supervisor 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 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 chairman from among themselves.

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 (Documentation of a shareholders' meeting by audio or video)

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.

The recorded materials of the preceding paragraph shall be retained for at least one year. 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.

For convening a shareholders' meeting by video conference, the Company shall keep records for enrollment, registration, sign-in, question, voting, and vote counting results of shareholders, and shall make an uninterrupted audio and video recording for the video conference.

For the information and recorded materials in the preceding paragraph, the Company shall keep in proper custody for the duration; and provide the audio/video data to those who are entrusted with holding video conference for safekeeping.

For convening a shareholders' meeting by video conference, the Company is advised to make an audio and video recording with back-end operation interface of the video conference platform.

Article 8

Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book, sign-in cards handed in, and numbers of shares registered by video conference platform plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairman 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.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned. For convening a shareholders' meeting by video conference, the Company shall publicly announce the shareholders' meeting to be adjourned on the video conference platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, 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; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. For convening a shareholders' meeting by video conference, those who intend to attend the shareholders' meeting via videoconferencing, shall register to the Company again according to Article 5.

Before finishing at the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairman may 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 chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman thinks 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 10 (Shareholder speech)

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 chairman.

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

Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

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

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only appointed one of the representatives may speak on the same proposal. After an attending shareholder has spoken, the chairman may respond in person or appoint relevant personnel to respond. For convening a shareholders' meeting by video conference, shareholders who attend the meeting via videoconferencing shall ask questions in text on the video conference platform after the chairman calls the meeting to order and before the chairman declares the meeting adjourned. Each proposal shall not be raised more than twice, and it is limited to 200 words each time. This regulation is not applicable to Paragraph 1 to Paragraph 5.

If the question in the preceding paragraph does not violate the rules or exceed the scope of the agenda item, it is advised to disclose the question on the video conference platform of a shareholders' meeting to be well-known.

Article 11 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated based on the number of shares

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that

percentage shall not be included in the calculation.

Article 12

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

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 two business 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 attend a shareholders' meeting via videoconferencing, 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, 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.

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 a vote, for each proposal, the chairman or a person designated by the chairman 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.

When there is an amendment or an alternative to a proposal, the chairman 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.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the

chairman, 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 a record made of the vote.

When the Company convenes a shareholders' meeting by video conference, shareholders who attend the meeting via videoconferencing shall vote on each proposal and election through the video conference platform after the chairman call the meeting to order as well as shall finish the voting before the chairman announces the vote closed. Overtime will be deemed a waiver.

When convening a shareholders' meeting by video conference, the chairman shall base on non-recurring count for votes to announce the vote/election results after announcing the vote closed.

When the Company convenes a video-assisted shareholders' meeting, shareholders who register to attend the meeting via videoconferencing according to Article 6 intend to attend the meeting in person, he/she shall cancel the registration by the same means as he/she registers two business days before the date of shareholders' meeting. Shareholders who cancel the registration over the time limit shall only attend the meeting via videoconferencing.

For shareholders who do not cancel to exercise voting rights by correspondence or electronic means and attend the shareholders' meeting via videoconferencing, except for extraordinary motions, he/she shall not exercise the voting right to original proposals, shall not submit to amend the original proposals, or shall not exercise the voting right to amendments to the original proposals.

Article 13

The election of directors or supervisors 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 the numbers of votes with which they were elected, and the names of directors 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. 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 14

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman 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 chairman'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. The minutes shall be retained for the duration of the existence of the Company.

For convening a shareholders' meeting by video conference, the meeting minutes shall not only record the matters according to the preceding paragraph, but record the start/end time of a shareholders' meeting, how to call a meeting, the chairman and meeting recorder's full name, and the actions taken when malfunction of video conference platform occurs or barrier to attending meeting via videoconferencing occurs because of natural disaster, incident occurring, or force majeure event.

When the Company convenes a shareholders' meeting via videoconferencing, in addition to handle according to the preceding paragraph, it shall be specified in the shareholders' meeting notice. For shareholders who have difficulty in attending the meeting via videoconferencing shall provide an alternative measure.

Article 15 (Public disclosure)

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, the number of shares represented by proxies, number of shares represented by correspondence or electronically, and shall make an express disclosure of the same at the place of the shareholders' meeting. For convening a shareholders' meeting by video conference, the Company shall upload the information as mentioned above to the video conference platform of a shareholders' meeting at least 30 minutes before the meeting commences, and continuously disclose the meeting data until the end of the meeting.

When the Company convenes a shareholders' meeting via videoconferencing and calls the meeting to order, it shall disclose the total number of issued shares represented by shareholders attending the meeting to the video conference platform, and also disclose the statistical tallies of the total numbers of voting rights and shares represented by shareholders attending the meeting during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16 (Maintaining order at the meeting place)

The meeting affairs staff of handling a shareholders' meeting shall wear identification cards or arm bands.

The chairman 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 arm band bearing the word "Proctor."

For those who have the public address system 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 chairman may restrain the shareholder from so doing.

When a shareholder defies the chairman's correction because of violating the rules of procedure or refuses to heed the call because of obstructing the proceedings, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 17 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 18 (Information disclosure by video conference)

For convening a shareholders' meeting by video conference, the Company shall immediately disclose the resolution results of each proposal and election to the video conference platform according to regulations after finishing the voting as well as shall continuously disclose at least 15 minutes after the chairman declares the meeting adjourned.

Article 19 (Location of chairman and meeting recorder for a shareholders' meeting via videoconferencing)

When the Company convenes a shareholders' meeting via videoconferencing, the chairman and meeting recorder shall be at the same location in Taiwan, and the chairman shall announce the address of the location during the meeting.

Article 20 (Handling for internet disconnection)

For convening a shareholders' meeting by video conference, the Company shall provide shareholders with simple connection test before the meeting and also provide the relevant services timely before the meeting and during the meeting to assist in handling the technical issue about communications.

For convening a shareholders' meeting by video conference, the chairman shall not only call the meeting to order but shall announce the circumstances that do not have to defer or resume the meeting according to paragraph 4, Articles 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies. Before the chairman declares the meeting adjourned, when malfunction

of video conference platform occurs or barrier to attending meeting via videoconferencing occurs because of natural disaster, incident occurring, or force majeure event that have lasted for over 30 minutes, the meeting shall be deferred or resumed within five days. It is not applicable to Article 182 of the Company Act. For the circumstance in the preceding paragraph, shareholders who do not register to attend the original meeting via videoconferencing shall not attend the deferred or resumed meeting. As to the to-be-deferred or to-be-resumed meeting according to the second paragraph, shareholders who have registered to attend the original shareholders' meeting via videoconferencing and have finished the attendance registration do not attend the deferred or resumed meeting, the number of shares in the original shareholders' meeting and exercised voting rights and election rights shall be included in the total number of shares represented by shareholders attending the meeting, voting rights, and election rights in the deferred or resumed meeting.

When holding the deferred or resumed shareholders' meeting according to the second paragraph, as to proposals that have completed the voting and vote counting as well as have announced the resolution results or a list of elected directors, shall not be necessary to re-discuss or adopt a resolution again.

For convening a video-assisted shareholders' meeting, when the circumstances mentioned in the second paragraph occur and cannot be able to be resumed, the number of shares represented by shareholders who attend the meeting via videoconferencing shall be deducted from the total number of shares represented by shareholders attending the meeting. If the total number of shares represented by shareholders attending the meeting has a quorum, the shareholders' meeting shall be to be resumed. Shall not be necessary to defer or resume the meeting according to the second paragraph.

For the circumstance in the preceding paragraph, shareholders who attend a shareholders' meeting via videoconferencing, the number of shares shall be plus the total number of shares represented by shareholders attending the meeting, but have waived his/her rights with respect to all proposals of that meeting.

The Company regulates to defer or resume the meeting according to the second paragraph, and shall be based on the original date of the shareholders' meeting to deal with relevant predecessor activities according to Paragraph 7, Active 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies.

The prescribed time period of shareholders' meetings for the publicly owned corporation is regulated according to second half of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Company as well as paragraph 2, Articles 44-5, Article 44-15, and Paragraph 1, Articles 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies. The Company shall regulate the date to defer or resume a shareholders' meeting according to the second paragraph.

Article 21 (Handling for digital divide)

When the Company convenes a shareholders' meeting via videoconferencing, it shall appropriately provide shareholders who have difficulty in attending the meeting via videoconferencing with an

alternative measure.

Article 22

These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

These Rules were enacted on July 16, 1998 with the 1st amendment made on June 9, 2015, and with the 2nd amendment made on May 24, 2022.

Appendix 4.2 : Articles of Incorporation

FARADAY TECHNOLOGY CORPORATION Articles of Incorporation

Chapter 1: General Rules

Article 1

The Company is organized in accordance with the provisions of the Company Act. The name of the Company is “智原科技股份有限公司” in Chinese and “FARADAY TECHNOLOGY CORPORATION” in English.

Article 2

The Company’s business operation is as follows:

I. CC01080 Electronic component manufacturing business

II. I501010 Product design business

III. F401010 International trade business

IV. I301020 Data processing services business

V. I301010 Information software service business

Research, development, design services, production, manufacturing, and sales of the following products:

I. Application-specific integrated circuit (ASIC) design

II. Application-specific integrated circuit (ASIC) design Intellectual Property and System Platform (IP & System Platform)

III. ASIC Electronic Design Automation Tools (ASIC EDA TOOLS)

Article 2-1

When the Company is a shareholder of unlimited liability in another company, the total amount of the Company’s investment in such other company is not subject to the requirement of not exceeding 40% of the amount of its own paid-in capital by Article 13 of the Company Act.

Article 3

The Company’s head office is located in Hsinchu Science Park. If necessary, the Company may establish branches domestically and abroad after the resolution of the Board of Directors and the approval of the competent authority.

Article 4

The Company announcement method may, pursuant to Article 28 of the Company Act.

Chapter 2: Shares

Article 5

The Company’s authorized capital is NT\$6 billion with 600 million shares issued at NT\$10 par; also, the Board of Directors is authorized to have the stock shares issued by installments. The issue price of each share is determined by the Board of Directors in accordance with the Company Act or securities-

related law and regulations.

Within the total capital amount stated in the preceding paragraph, stock warrants can be issued for an amount of NT\$550 million or less with 55 million shares issued at NT\$10 par. The Board of Directors is authorized to have the stock shares issued by installments depending on the business operation.

The transferees that the Company repurchases shares and transfers to the employees, the individuals entitled to the issuance of new shares, issuance of employee stock option certificates and issuance of Restricted Stock Awards, should include the employees that meet certain condition controls or employees of subsidiaries

Article 5-1

Employee stock warrants that are issued by the Company with a subscription price lower than the closing price of common stock shares issued by the Company on the issuance date should be issued with the consent of two thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares.

To transfer shares to employees at less than the average actual share repurchase price, the Company must have obtained the consent of two thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares.

Article 6

The Company's stock shares are ordered, numbered, affixed with the signatures or personal seals of the directors representing the Company, and should be duly certified or authenticated by the competent authority or its authorized issuance agency. The Company after having the stock shares issued may be exempted from printing any share certificate for the shares issued. When issues new shares, the certificate for the total number of shares issued currently may be printed collectively.

Article 7

Unless otherwise specified by laws and securities regulations, the shareholders of the Company should handle securities matters such as transfer, pledge, loss report, inheritance, gift, and seal report loss, change, or address change by "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 8: (Deleted)

Article 9

The entries of stock assignment/transfer in the shareholders' roster should not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the base date fixed by the Company for distribution of dividends, bonus, or other benefits.

Chapter 3: Shareholders' Meeting

Article 10

The Company's shareholders' meeting include two types of meetings as follows:

I. Regular shareholders' meeting should be held by the Board of Directors within six months after the end of each fiscal year.

II. Special shareholders' meeting should be convened according to law when necessary.

When the Company holds a shareholders' meeting, it should be held by video conference or other methods announced by the central competent authority.

When convening a shareholders' meeting by video conference, shareholders who attend the meeting via videoconferencing will be deemed to have attended the meeting in person.

Article 11

The chairman of the board should chair the shareholders' meeting. If the chairman of the board asks for leave or is unable to exercise his/her powers, one of the directors should be appointed to act on his/her behalf. If the chairman of the board has not appointed a representative, the directors should elect one person among them to act as the chairman.

Article 12

Shareholders should be informed of the date, place, and reason for the annual shareholders' meeting to be convened 30 days in advance, and for a special shareholders' meeting to be convened 15 days in advance.

Article 13

When the shareholders cannot attend the shareholders' meeting for any reasons, they should provide the proxy form issued by the Company with the scope of authorization specified and then entrust a representative to attend the shareholders' meeting. The procedures for attending shareholders' meeting by proxy should be handled in accordance with Article 177 of the Company Act and the provisions of the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the competent authority.

Article 14

Except in the circumstances otherwise provided for in Article 157, Paragraph 3 and Article 179 of the Company Act, the shareholders of the Company should have one voting power in respect of each share in his/her/its possession.

Article 15

Resolutions at shareholders' meeting, unless otherwise provided for in the Company Act, should be adopted by a majority vote of the shareholders' present, who represent more than one-half of the total number of voting shares.

Chapter 4 : The Board of Directors, Audit Committee, and Managerial Officers

Article 16

The Company has seven to eleven directors for a term of three years who have the capacity to be elected in the shareholder meeting and are eligible for a second term. The shareholding ratio of all the directors is in accordance with the regulations of the securities competent authorities. The Company may purchase liability insurance for directors during the term of directors within the scope of their directorial duties by the legal liability for compensation.

The Company's independent directors among the number of directors specified in the preceding paragraph must be not less than three persons, and must be not less than one fifth of the number of directors.

The board of directors is authorized to pay remuneration to the directors according to their level of

participation in the operation of the Company and the value of their contribution, and with reference to the industry level.

A candidate nomination system is adopted for the election of directors and independent directors, the shareholders are to elect the directors from the candidate list in the meeting. Regarding the independent directors' professional qualifications, shareholdings, part-time restrictions, nomination and selection methods, and other matters to be complied with, it should be handled in accordance with the relevant regulations of the securities competent authority.

Article 16-1

According to the provision of Article 14-4 of the Securities Exchange Act, the Company has an Audit Committee composed of by all independent directors; the number, term of service, power, rules of procedure for meetings and other matters of the Audit Committee should be additionally stipulated according to the relevant laws and regulations of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" in the Audit Committee Charter.

Article 17

The board of directors is formed by directors with the powers illustrated as follows:

- I. Preparation of the business plan.
- II. The surplus earnings distribution or loss off-setting proposal
- III. Propose capital increase or decrease proposal.
- IV. Formulate important rules and contracts.
- V. Appoint and dismiss the General Manager of the Company.
- VI. The establishment and abolition of branches.
- VII. Prepare budgets and final accounts.
- VIII. Review of capital expenditures.
- IX. Other powers entrusted according to the Company Act or resolutions of the Shareholders' meetings.

Article 18

The chairman of the board should be elected by a majority of the directors at a meeting attending by two thirds of the directors. The chairman is internally the chairperson of the shareholders' meeting and the Board of Directors and represents the Company externally. The board of directors, depending on operational needs, may have the vice chairman of the board elected by a majority of the directors at a meeting attending by two thirds of the directors.

Article 19

The board meeting of the Company, unless otherwise provided by the Company Act, should be convened by the chairman. Unless otherwise provided by the Company Act, resolutions of the board of directors should be adopted by a majority of the directors at a meeting attended by a majority of the directors. The board directors should be notified of the upcoming board meeting in writing, by email, or by fax.

Article 20

The chairperson of the board should preside the board meetings. When the chairperson of the board is on leave or cannot exercise his/her powers for any reason, the vice chairman should act in place of the chairperson. If there is not a vice chairman elected or the vice chairman is also on leave or cannot exercise his/her powers for any reason, the chairman should appoint one of the directors to act. If no

such designation is made by the chairman, the directors should select one person among themselves to serve as chairman. The directors should attend the meeting in person, but may be represented by another director if they cannot attend the meeting in person for any reason. The representation stated in the preceding paragraph is limited to one proxy per director only.

Article 21: (Deleted).

Article 22: (Deleted).

Article 23

The Company has more than one general manager appointed. The appointment, dismissal, and remuneration of the president must be handled by Article 29 of the Company Act.

Article 24

The general managers should manage the company's business operation in accordance with the resolution of the board of directors.

Chapter 5 Accounting

Article 25

The Company's fiscal year is from January 1 to December 31. The final statements must be prepared at the end of each fiscal year.

Article 26

The Company's Board of Directors, in accordance with the provisions of Article 228 of the Company Act, should have the following books and reports prepared at the end of each fiscal year and should present them in the shareholders' meeting for resolutions.

I. Business report.

II. Financial statements.

III. Proposal of surplus earnings distribution or loss off-setting.

Article 27

The Company should appropriate no less than 1% of the earnings as employee remuneration and no more than 2% of the earnings as director's remuneration based on the profit status of current year.

However, if the Company still has previous losses, then the Company should make up for it.

Employee remuneration can be in cash or with stock dividend, and the individuals entitled to cash or to the stock dividends may include employees of controls or subsidiaries that meet certain condition.

"The profit status of the current year" as used herein paragraph 1, should refer to the profit before tax deducting the distribution of employee remuneration and directors' remuneration in the current year.

The distribution of employee remuneration and directors' remuneration should be made by the board of directors with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present, and should be reported to the shareholders' meeting.

The Company's annual surplus earnings, if any, will be distributed in the following order:

I. Withheld taxes.

II. Loss off-setting.

III. Appropriated 10% of the earnings as legal reserve.

IV. Appropriated or reversed special reserve lawfully.

V. The balance amount plus the unappropriated retained earnings is for the shareholders' dividend.

Except for the reserved amount is to be distributed in the future, the shareholders' dividend is distributed according to the resolutions reached in the shareholders' meeting.

The Company's dividend distribution policy depends on the Company's current and future investment environment, capital demand, domestic and foreign competition, capital budget, and other factors, taking into account the interests of shareholders, balancing dividends, and the Company's long-term financial planning. The board of directors submit the earnings distribution plan to the shareholder meeting for resolutions every year. The Company shall take into consideration finance, business, business aspect, and other factors to distribute all distributable earnings of the current year. The distribution of shareholders can be paid in cash or with stock dividend. The dividend distributed in the current year must be with a cash dividend amount for not less than 10% of the total dividend.

Article 27-1

The Company should distribute all or part of dividends and bonus in cash authorized by the resolution of the board of directors with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present, and should be reported to the shareholders' meeting. It is not applicable to the regulation of resolution for shareholder's meeting in the provisions of this articles of incorporation.

Chapter 6 Supplemental Provisions

Article 28

The Company's charters and enforcements rules should be formulated separately.

Article 29

Matters not specified in the Articles of Association should be handled in accordance with the provisions of the Company Act.

Article 30

The initiators resolved in the "Initiator Meeting" to have the Company's Articles of Association established on May 25, 1993. The 1st amendment was made on June 19, 1997. The 2nd amendment was made on December 15, 1997. The 3rd amendment was made on July 16, 1998. The 4th amendment was made on March 16, 1999. The 5th amendment was made on June 17, 2000. The 6th amendment was made on June 9, 2001. The 7th amendment was made on June 17, 2002. The 8th amendment was made on June 3, 2003. The 9th amendment was made on June 15, 2004. The 10th amendment was made on June 14, 2005. The 11th amendment was made on June 12, 2006. The 12th amendment was made on June 11, 2007. The 13th amendment was made on June 13, 2008. The 14th amendment was made on June 10, 2009. The 15th amendment was made on June 15, 2010. The 16th amendment was made on June 15, 2011. The 17th amendment was made on June 12, 2012. The 18th amendment was made on June 9, 2015. The 19th amendment was made on June 15, 2016. The 20th amendment was made on May 24, 2022. The 21st amendment was made on May 24, 2023.

Appendix 4.3 : Rules for Election of Directors

FARADAY TECHNOLOGY CORPORATION Rules for Election of Directors

Article 1

Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 2

The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

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

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 3

The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and

4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 4

Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 5

The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 6

The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7

The number of directors will be as specified in this Corporation's articles of incorporation, with voting

rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8

A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
5. Other words or marks are entered in addition to the number of voting rights allotted.

Article 9

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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 11

The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 12

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting. These Regulations were formulated on June 17, 2002. The first amendment to the Regulations

was made on June 11, 2007. The 2nd amendment to the Regulations was made on June 9, 2015. The 3rd amendment to the Regulations was made on July 7, 2021. The 4th amendment to the Regulations was made on May 24, 2022.

Appendix 4.4 : Corporate Governance Best Practice Principles (Before amended)

FARADAY TECHNOLOGY CORPORATION Corporate Governance Best Practice Principles

Chapter 1 General Principles

Article 1

To establish sound corporate governance systems, the Company is advised to formulate “Corporate Governance Best Practice Principles” with reference to these Principles jointly adopted by the Taiwan Stock Exchange Corporation (TWSE) and the Taipei Exchange (TPEX) Market for compliance therewith.

Article 2

When setting up the corporate governance system, in addition to complying with relevant laws, regulations, articles of incorporation, contracts signed with the TWSE, and other relevant regulations, the Company shall follow the following principles:

1. Establish an effective corporate governance framework.
2. Protect the rights and interests of shareholders.
3. Strengthen the powers of the Board of Directors.
3. Fulfill the function of Audit Committee.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency.

Article 3

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

The Company shall perform full self-assessments of its internal control system. Its board of directors and management shall review the results of the self-assessments by each department at least annually and the reports of the internal audit department on a quarterly basis. The audit committee shall also attend to and supervise these matters. The Company is advised to establish channels and mechanisms of communication between their independent directors or audit committees, and chief internal auditors. Directors shall periodically hold discussions with their internal auditors about reviews of internal control system deficiencies. A record of the discussions shall be kept, and the discussions shall be followed up, improvements implemented, and a report submitted to the board of directors.

The management of the Company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, and to assist the board of directors and the management to perform their

duties effectively so as to ensure a sound corporate governance system.

To put the internal control system into effect, strengthen the professional abilities of the agent of the internal auditor and to further improve and maintain the quality and implementing result of the audit, the Company shall have a deputy in place for the internal auditing personnel.

The qualification requirements on the internal auditor set out in the Criteria Governing Establishment of Internal Control System by Public Reporting Companies and the same Criteria shall apply mutatis mutandis to the deputy as referred to in the preceding paragraph.

Appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the Company shall be reported to the board of directors or shall be submitted by the chief auditor to the board chairperson for approval.

Article 3-1

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

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

1. Handling matters relating to board meetings and shareholders' meetings according to laws.
2. Producing minutes of board meetings and shareholders' meetings.
3. Assisting in onboarding and continuous development of directors.
4. Furnishing information required for business execution by directors.
5. Assisting directors with legal compliance.
6. Other matters set out in the articles of corporation or contracts.

Chapter 2 Protect shareholders' equity

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4

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

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

Article 5

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

implement resolutions adopted by shareholders meetings in accordance with the rules for the meetings. Resolutions adopted by shareholders meetings of the Company shall comply with laws, regulations and articles of incorporation.

Article 6

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

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

Article 7

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

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

The Company is advised to arrange for their shareholders to vote on each separate proposal in the shareholders meeting agenda, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions, on the Market Observation Post System.

If the company distributes souvenirs at its shareholders meeting, it shall not practice differential treatment or discrimination.

Article 8

The Company, in accordance with the Company Act and other applicable laws and regulations, shall record in the shareholders meeting minutes the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors.

The shareholders meeting minutes shall be properly and perpetually kept by the company during its legal existence, and should be sufficiently disclosed on the company's website.

Article 9

The chairperson of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the company. The chairperson shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will. In order to protect the interests of most shareholders, if the chairperson declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders meetings, it is advisable for the members of the board of directors other than the chairperson of the shareholders meeting to promptly assist the attending shareholders at the shareholders meeting in electing a new chairperson of the shareholders meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10

The Company shall place high importance on the shareholder right to know, and shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the website established by the company. To treat all shareholders equally, it is advisable that the company concurrently disclose the information under the preceding paragraph in English.

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

It is advisable that the rules mentioned in the preceding paragraph include stock trading control measures from the date insiders of the Company become aware of the contents of the company's financial reports or relevant results; including (but not limited to) the director of board shall not proceed stock trading during the closed period between thirty days before the annual financial report announcement and fifteen days before quarterly financial report.

Article 10-1

It is advisable that the Company reports director's remuneration in shareholder's meeting, including remuneration policy, the relevance between the content/amount of each remuneration and the result of performance assessment.

Article 11

The shareholders shall be entitled to profit distributions by the company. In order to ensure the investment interests of shareholders, the shareholders meeting may, pursuant to Article 184 of the Company Act, examine the statements and books prepared and submitted by the board of directors and the reports submitted by the audit committee, and may decide profit distributions and deficit off-setting plans by resolution. In order to proceed with the above examination, the shareholders meeting may appoint an

inspector.

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

The board of directors, audit committee, and managers of the Company shall fully cooperate in the examination conducted by the inspectors in the aforesaid two paragraphs without any circumvention, obstruction or rejection.

Article 12

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

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

The relevant personnel of the Company handling the matters in the preceding paragraph shall pay attention to the occurrence of any conflicts of interest and the need for recusal.

Article 13

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

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

The preceding two paragraphs shall keep relevant written records for future reference and incorporate the procedures in its internal control system for management purposes.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13-1

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

Article 13-2

In addition to communicating with shareholders through shareholders meetings and encouraging shareholders to participate in such meetings, the board of directors of the Company together with officers and independent directors shall engage with shareholders in an efficient manner to ascertain shareholders'

views and concerns, and expound company policies explicitly, in order to gain shareholders' support.

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

Article 14

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

Article 15

Unless otherwise provided by the laws and regulations, a manager of the Company may not serve as a manager of its affiliated enterprises.

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

Article 16

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

Article 17

When the Company and its affiliated enterprises enter into inter-company business transactions, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited. All transactions or contracts made by and between the Company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.

Article 18

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

1. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the company to conduct any business which is contrary to normal business practice or not profitable.
2. Its representative shall follow the rules implemented by the Company with respect to the exercise of rights and participation of resolution, so that at a shareholders meeting, the representative shall exercise his/her voting right in good faith and for the best interest of all shareholders and shall exercise the fiduciary duty and duty of care of a director.
3. It shall comply with relevant laws, regulations and the articles of incorporation of the company in nominating directors and shall not act beyond the authority granted by the shareholders meeting or

board meeting.

4. It shall not improperly intervene in corporate policy making or obstruct corporate management activities.
5. It shall not restrict or impede the management or production of the company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.
6. The representative that is designated when a corporate shareholder has been elected as a director shall meet the company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

Article 19

The Company shall retain at all times a register of major shareholders who own a relatively high percentage of shares and have controlling power, and of the persons with ultimate control over those major shareholders.

The Company shall disclose periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares, to allow other shareholders to supervise such matters.

The major shareholder indicated in the first paragraph refers to those who owns 5 percent or more of the outstanding shares of the company or the shareholding stake thereof is on the top 10 list.

Chapter 3 Enhancing the Function of Board of Directors

Section 1 Structure of Board of Directors

Article 20

The board of directors of the Company shall direct company strategies, supervise the management, and be responsible to the company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings.

The structure of the Company's Board of Directors shall be based on the scale of the Company's business development, the shareholdings of its major shareholders, and the practical operational needs so as to determine an appropriate number of directors as stipulated in the Articles of Incorporation.

The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following three general standards:

1. Basic requirements and values: Gender, age, nationality, independence, and culture; female directors shall reach one-third of the total number of the board members.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
3. Corporate sustainability and social participation: Corporate governance, environmental sustainability, Corporate Social Responsibility, regulatory compliance and human rights protection.

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

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

Article 21

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

A spousal relationship or a familial relationship within the second degree of kinship may not exist among the directors of the Company.

When the number of directors is less than as prescribed in articles of incorporation due to the discharge of a director for any reason, the company shall hold a by-election for director at the following shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

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

Article 22

The Company shall specify in its articles of incorporation in accordance with the laws and regulations of the competent authorities that it adopts the candidate nomination system for elections of directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.

Article 23

Clear distinctions shall be drawn between the responsibilities and duties of the chairman of the board of the Company and those of the president.

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

Section 2 Independent Director System

Article 24

The Company shall appoint at least three independent directors in accordance with its articles of incorporation. It is inappropriate to be less than two in number and not less than one-third of the total number of directors; and the consecutive term of independent director shall not over three terms.

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

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

The "business group and organizations" in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50% of its endowment, and other institutions or juridical persons with the ultimate control over the Company.

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

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

Article 25

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

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
3. A matter bearing on the personal interest of a director.
4. A material asset or derivatives transaction.
5. A material monetary loan, endorsement, or provision of guarantee.
6. The offering, issuance, or private placement of any equity-type securities.

7. The hiring, discharge, or compensation of an attesting CPA.
8. The appointment or discharge of a financial, accounting, or internal auditing officer.
9. Any other material matter so required by the competent authority.

Article 26

The Company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. The Company or other board members shall not obstruct, reject or circumvent the performance of duties by the independent directors. The Company shall stipulate the remuneration of the directors according to applicable laws and regulations. The remuneration of the directors shall fully reflect the personal performance and the long-term management performance of the company, and shall also take the overall operational risks of the company into consideration. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Section 3 Functional Committees

Article 27

For the purpose of developing supervisory functions and strengthening management mechanisms, the board of directors of the Company, in consideration of the company's scale and type of operations and the number of its board members, may set up functional committees for auditing, remuneration, nomination, risk management or any other functions, and based on concepts of corporate social responsibility and sustainable operation, may set up environmental protection, corporate social responsibility, or other committees, and expressly provide for them in the articles of incorporation.

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

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

Article 28

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

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

Article 28-1

The Company shall establish a remuneration committee, and it is advisable that more than half of the

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

Article 28-2

The Company is advised to establish a nomination committee and its articles of association. It is advisable that a majority of the members of said committee be independent directors and an independent director be its chairperson.

Article 28-3

The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the company's internal control system for management purposes.

Article 29

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

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

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

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

The Company shall periodically (at least once a year) evaluate the independence and suitability of the CPA engaged by the company. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.

Article 30

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

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

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

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

Article 31

The board of directors of the Company shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are deemed inadequate, a director may ask the unit in charge to provide more information or request a postponement of the meeting with the consent of the board of directors.

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

Article 32

Directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another Matters requiring the voluntary recusal of a director shall be clearly set forth in the rules of procedure for board meetings.

Article 33

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

failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

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

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

During a board meeting, managers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings to assist the directors in understanding the conditions of the company for the purpose of adopting an appropriate resolution, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34

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

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

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

A company shall record on audio or video tape the entire proceedings of a board of directors meeting and preserve the recordings for at least 5 years in electronic form.

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

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

When a resolution of the board of directors violates laws, regulations, the articles of incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35

The Company shall submit the following matters to its board of directors for discussion:

1. Corporate business plans.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested.
3. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of effectiveness of an internal control system.

4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The performance assessment and the standard of remuneration of the managerial officers.
7. The structure and system of director's remuneration.
8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
10. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or by law to be approved by resolution at a shareholders meeting or to be approved by resolution at a meeting of the board of directors, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to the board of directors for discussion under the preceding paragraph, when the board of directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or its articles of incorporation. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

Article 36

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

The board of directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

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

Article 37

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

It is advisable that the Company formulate rules and procedures for board of directors' performance assessments. Each year, in respect of the board of directors and individual directors, it shall conduct regularly scheduled performance assessments through self-assessments or peer-to-peer assessments, and may also do so through outside professional institutions or in any other appropriate manner. A performance assessment of the board of directors shall include the following aspects, and appropriate assessment indicators shall be developed in consideration of the company's needs:

1. The degree of participation in the company's operations.

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

The performance assessments of board members (self-assessments or peer-to-peer assessments) shall include the following aspects, with appropriate adjustments made on the basis of the company's needs:

1. Their grasp of the company's goals and missions.
2. Their recognition of director's duties.
3. Their degree of participation in the company's operations.
4. Their management of internal relationships and communication.
5. Their professionalism and continuing professional education.
6. Internal controls.

It is advisable that the Company conducts performance assessments of a functional committee, covering the following aspects, with appropriate adjustments made on the basis of the company's needs:

1. Their degree of participation in the company's operations.
2. Their recognition of the duties of the functional committee.
3. Improvement in the quality of decision making by the functional committee.
4. The composition of the functional committee, and election and appointment of committee members.
5. Internal control.

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

Article 37-1

It is advisable for the Company to establish a succession plan for the management. The development and implementation of such plan shall be periodically evaluated by the board of directors to ensure sustainable operation.

Article 37-2

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

1. Formulate intellectual property regulatory policies, objectives and systems that are slightly associated with the operational strategies.
2. Develop, implement and maintain on the basis of scale and form its regulatory systems governing the procurement, protection, maintenance and utilization of intellectual properties.
3. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property regulatory system.
4. Observe internally and externally the risks and opportunities that intellectual property regulation may present and adopt corresponding measures.
5. Plan for and implement a continuous improvement mechanism to ensure the operation and effects of the intellectual property regulatory regime meet the company's expectations.

Article 38

If a resolution of the board of directors violates law, regulations or the company's articles of incorporation, then at the request of shareholders holding shares continuously for a year or an independent director to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering a likelihood that the company would suffer material injury, members of the board of directors shall immediately report to the audit committee or an independent director member of the audit committee, in accordance with the foregoing paragraph.

Article 39

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

The Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40

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

Chapter 4 Respecting Stakeholders' Rights

Article 41

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

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

Article 42

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

Article 43

The Company shall establish channels of communication with employees and encourage employees to communicate directly with the management/directors so as to reflect employees' opinions about the

management, financial conditions, and material decisions of the company concerning employee welfare.

Article 44

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

Chapter 5 Improving Information Transparency

Section 1 Enhancing Information Disclosure

Article 45

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

The Company is advised to publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.

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

Article 46

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

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

In order to implement the spokesperson system, the Company shall unify the process of making external statements. It shall require the management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

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

Article 47

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

To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and

the recorded information shall be accurate, detailed and updated on a timely basis.

Article 48

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

Section 2 Disclosure of Information on Corporate Governance

Article 49

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

1. The board of directors: Such as resume and responsibility for member of the board of directors, diversity policy of the composition for the board of directors, and its implementation status.
2. Functional committee: Such as resume and responsibility for member of functional committee.
3. Relevant laws and regulations of corporate management: Such as the Company's articles of incorporation, rules of procedures for board of the directors, organization rules of the functional committee.
4. Important information related to corporate management: Such as setup the information for corporate governing manager.

Chapter 6 Supplementary Provisions

Article 50

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

Article 51

The Corporate Governance Best Practice Principles and any amendments thereto shall be implemented after being approved by the Board of Directors and disclosed on the MOPS.

Appendix 4.5 : Procedures for Ethical Management and Guidelines for Conduct (Before amended)

FARADAY TECHNOLOGY CORPORATION

Procedures for Ethical Management and Guidelines for Conduct

Article 1 Purpose and Scope

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 Ethical Corporate Management Procedure and Conduct 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.

Article 2 Applicable Subjects

These Procedures and Guidelines are applicable for all personnel of the Company, including director, managerial officer, employee, mandatary or person having substantial control, of the Company or its subsidiaries.

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, receives, promises, or requests any 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 shall designate ethical management team as the solely responsible unit (hereinafter, "responsible unit") 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 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. 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.

Article 6 Prohibition against providing or accepting improper benefits

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 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.
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.

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

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company will 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 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 approved with the written consent from the President, and a notification shall be given to the responsible unit, and the donation or sponsorship shall be provided.

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 written record of the decision making process shall be kept.
3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. 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.
5. 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 the listed proposal, 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.

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 shall set up a special 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.

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.

Article 13 Prohibition from leakage of trade secret

All personnel of the Company shall faithfully follow the operational directions of the Company's trade

secret, and may not disclose to any other party any trade secrets of the Company of which they have learned, nor may they inquire about or collect any trade secrets of the Company unrelated to their individual duties.

Article 14 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.

Article 15 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 16 Announcement of policy of ethical management

The Company shall disclose its policy of ethical management in annual reports and on the company's websites, 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 17 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 18 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 19 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 20 The principle of good faith for the cooperation with customer and supplier

When the Company cooperates with customer and supplier, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall include the compliance with the ethical management policy of the Company as cooperative principle between both parties, abide by the following matters together:

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 party as 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 21 Handling of unethical conduct by personnel of the Company

The Company shall provide channel for reporting violation of ethical management on the website of the Company for insiders and outsiders of the Company to submit reports.

For various reported cases, the Company shall process as soon as possible after acceptance, and the investigation process is fair and impartial; and carry out in accordance with relevant regulations.

A whistleblower shall at least furnish the following information:

1. The whistleblower's name and ID number, and an address, telephone number and e-mail address where it can be reached.

2. The informed party's name or other information sufficient to distinguish its identifying features.
3. Violation or evidence of inspection tool violations, such as specific evidence of documentary evidence, physical evidence, basic plot, related party, and amount involved.

As to the personnel of the Company handling whistle-blowing matters, the Company will keep the whistleblowers' identity and contents of information confidential. 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 Present if involving the general employees 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 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 22 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 23 Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures.

The responsible unit of the Company shall hold internal promotions once every year to communicate the importance of ethics.

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.

Article 24 Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the President.

Appendix 4.6 : Shareholdings of All Directors

FARADAY TECHNOLOGY CORPORATION Shareholding of All Directors

1.The statutory shareholdings of the directors of the 11th terms of the Company are as follows:

The number of common stock shares issued by the Company: 260,550,313 shares

The statutory shareholdings of all directors should be 12,000,000 shares.

2.As of March 31, 2024, the book closure date of the annual shareholders' meeting, current shareholding of all directors are as follows:

Title	Name	Shareholding	Shareholding ratio (%)
Chairman	United Microelectronics Corporation Representative : Chia-Tsung Hung	35,962,705	13.80%
Director	United Microelectronics Corporation Representative : Ying-Sheng Shen	35,962,705	13.80%
Director	Unimicron Technology Corporation Representative : Cheng-Li Huang	124,634	0.05%
Director	Kuo-Yung Wang	401,783	0.15%
Director	Shih-Chin Lin	212,786	0.08%
Director	Wen-Ju Tseng	71,383	0.03%
Independent director	Ning-Hai Jin	—	—
Independent director	Ping-Kuan Lo	—	—
Independent director	Wan-fen Zhou	—	—
Total shareholdings of all directors		36,773,291	14.11%

Note: As Faraday has a majority of independent directors, and has established the Audit Committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for directors and supervisors do not apply.