

Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) The Company has established an Ethical Corporate Management Policy and Guidelines of Procedures and Conducts for Ethical Corporate Management and has disclosed the aforementioned guidelines on the Company's website. The Chairman's Office is responsible to formulate and supervise the implementation of ethical management policy and prevention plan and regularly reports to the Board of Directors.</p> <p>(2) The Company has established effective accounting and internal control system to ensure the implementation of ethical corporate management. The internal audits regularly assess the compliance of the aforementioned system. Also, the Company has established an Ethical Corporate Management Policy that applies to all suppliers, strictly prohibiting the acceptance of cash gifts, rebates, and related parties' transactions. In case of violation, all contracts will be terminated to ensure the most reasonable quotations, best quality, and service.</p> <p>(3) The Company has formulated Guidelines of Procedures and Conducts for Ethical Corporate Management to standardize relevant operating procedures and implement them accordingly.</p>	None
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) The Company has established an Ethical Corporate Management Policy that applies to all suppliers, strictly prohibiting the acceptance of cash gifts, rebates, and related parties' transactions. In case of violation, all contracts will be terminated to ensure the most reasonable quotations, best quality, and service.</p> <p>(2) The Chairman's Office is responsible for promoting corporate integrity management. Aided by other departments such as legal, accounting, and purchasing, the aforementioned departments operate in accordance with the policies approved by the Board of Directors, and regularly report the implementation status of integrity management to the Board.</p> <p>(3) Directors, supervisors, or executives shall avoid participating in decision-making sessions of any transactions or resolutions that have a conflict of personal interest.</p> <p>(4) The Company has established effective accounting and internal control</p>	None

<p>(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?</p> <p>(5) Does the company regularly hold internal and external educational continuing educations on operational integrity?</p>	<p>✓</p> <p>✓</p>	<p>system to ensure the implementation of ethical corporate management. The internal audits regularly assess the compliance of the aforementioned system. Also, CPAs are assigned to review the implementation of the Company's internal control system on yearly basis.</p> <p>(5) The Company has integrated operations integrity into its culture and promotes it at various meetings from time to time. The Company encourages employees to participate in honesty management-related education and continuing education courses, both internally and externally, covering the topics of information security, labor safety, legal compliance, auditing, etc. The total number of continuing education hours for both internal and external continuing education in 2022 is 95 hours, with a total of 14 person times. Also, the Company will emphasize the Company's commitment to operational integrity entering any contracts with suppliers.</p>	
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?</p> <p>(3) Does the company provide proper whistleblower protection?</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>(1) The Company has established a suggestion box, and designated appropriate departments to handle related affairs.</p> <p>(2) The Company's Opinion Communication and Response Procedures regulates that relevant executives are responsible for retaining the information on parties involved.</p> <p>(3) The Company promises to keep information on whistleblower confidential and no penalties will be imposed on the whistleblower.</p>	<p>None</p>
<p>4. Strengthening information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?</p>	<p>✓</p>	<p>The Company has set up a website, and disclosure information's regarding company culture and business policies. Also, information's regarding the Company's implementation status in operational integrity has been disclosed on MOPS.</p>	<p>None</p>
<p>5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: None.</p>			
<p>6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies):</p> <p>(1) To implement the basics of ethical corporate management policies, the Company operates under the Company Act, Securities and Exchange Act, Businesses Entity Accounting Act, related regulations for TWSE/TPEX-Listed Companies, and other laws and decrees concerning business transactions.</p> <p>(2) The Company has set up the Rules of Procedure for Board Meetings, which include the Recusal System for Directors, specifies that if a director or a legal person that the director represents is an interested party in relation to a proposal, and the relationship is likely to prejudice the interest of the Company, the director may states their opinions and responses to questions, but may not participate in the discussion or voting on that proposal, and shall recuse himself or herself from the discussion or the voting on that proposal, and may not designate other directors to exercise voting rights on his or her behalf.</p> <p>(3) The Company has set up the Management Procedures for Preventing Insider Trading, which specifies that directors, supervisors, executives, and employees are strictly prohibited from revealing inside information to others or to inquire non-public information that is irrelevant to his or her business scope.</p>			
<p>(8) If the Company has adopted Corporate Governance Best-Practice Principles or related bylaws, it shall disclose how these are to be searched: The Company formulates Rules of Procedure for Shareholders' Meetings, Rules of Procedure for Board Meetings, Procedures for Election of Directors, Rules Governing the Scope of Powers of Independent Directors, Rules Governing Financial and Business Matters Between Corporation and its Affiliated Enterprises, Code of Conduct, Audit Committee Charter, Ethical Corporate Management Best-Practice Principle, Remuneration Committee Charter, and are disclosed on</p>			

MOPS under the section of Corporate Governance for investors to inquire.

(9) Any other material information that would afford a better understanding of the status of the company's implementation of corporate governance may also be disclosed:

The Company continually strengthen performance of corporate governance. The Company has set up Corporate Governance section on company website for investors to inquire and download information related to the Company's corporate governance, also, simultaneously discloses major news and information related to the Company's corporate governance on MOPS.