

# Code of ethical conduct and Principle on the Avoidance of Conflict of Interest

Approved by the Board of Directors on January 17, 2023

- Article 1 Purpose  
For the guidance of the directors and managers of the Company (including general manager or the equivalent, vice general manager or the equivalent, assistant manager or the equivalent, chief financial, chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards. In order to correct the integrity of the Company, the directors, managers and all colleagues of the Company shall comply with the rules of disclosure and recusal of interests, so as to effectively avoid the risks arising from improper interests, and to make the stakeholders of the Company more aware of the Company's ethical standards and compliance with the rules of disclosure and recusal of interests, this Code is hereby established for the purpose of compliance.
- Article 2 Comply with standards  
The code of ethical conduct is established with reference to the “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies”.
- Article 3 The formulation, modification, and abolition of these regulations shall be handled in accordance with the company's internal standardization regulations ◦
- Article 4 Management  
The manager is the Chairman's Office.
- Article 5 Scope and Target  
The director, managers or all employees of the company shall perform their duties in an objective and efficient manner, so as to avoid any improper benefits to themselves, their spouses, parents, children or relatives within the third degree of consanguinity by virtue of their positions in the Company. The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director, supervisor, or managerial officer works, and the Company shall comply with the rules of disclosure and disqualification of interests.
- Article 6 Minimizing incentives to pursue personal gain  
The company shall prevent its directors, supervisors, or managerial officers from engaging in any of the following activities:
1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.
  2. Obtaining personal gain by using company property or information or taking advantage of their positions.
  3. Competing with the company.
- Article 7 Confidentiality  
The directors, supervisors, and managerial officers of the company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or

its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

Article 8 Fair trade

Directors, supervisors, and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 9 Safeguarding

All directors, supervisors, and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; To avoid theft, negligence in care, or waste of the assets, and will all directly impact the company's profitability.

Article 10 Legal compliance

The directors, managers and all employees of the Company shall comply with the Securities and Exchange Act and all laws and regulations governing the activities of the Company and the Company's policies.

Article 11 Signature Confidentiality Agreement

In addition to the promotion of ethical concepts, our directors signed a "Confidentiality Agreement" upon assuming office, and our managers and all employees signed an "Indefinite Employment Contract" in accordance with KDS-2G-00-002.

Also encourage employees to report to immediate supervisor of suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. The company have a dedicated complaint mailbox and telephone number on the company's website. The company shall make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 12 Disciplinary

When a director, supervisor, or managerial officer violates the code of ethical conduct, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code. If required by law or requested by the competent authorities or deemed necessary, the relevant information shall be disclosed immediately.

Article 14 Signing the Code of Conduct Warranty

In order to ensure that the employees of the Company conduct their business in an ethical manner and promote a culture of probity and integrity, we regulate the signing and administration of the Code of Conduct Warranty.

Executed and filed by the Company's Purchasing Division, all suppliers shall sign the Code of Conduct Warranty (Form 1) and it is also applied to the new suppliers.

Executed and disseminated by the Company's sales division, customers shall all be aware of the Code of Conduct Policy (Form 2 and 3), and it is also applied to the new customers.

The level of retention check is the department, which is managed by managers above the manager and deputy manager of each department, and should be listed as a handover project.

If there is any problem in the process of revising the content of the Code of Conduct Warranty, each unit shall submit a work commission form for review by the chairman's office in accordance with the contract review process.

Article 15 Scope of stakeholders

The scope of the stakeholders:

- (I) The spouse or cohabiting family members of the Directors or officers and all the employees.
- (II) Relatives within the second degree of kinship of the Directors or officers and all the employees.
- (III) Trustees of the property under trust of the Directors or officers and all the employees or their spouses.
- (IV) Any business in which any of the persons listed in Paragraph 1 and 2 of this Article is a responsible person, Director or officer.

Article 16 Interests

Interests:.

Interests in property:

- (I) Movable and immovable property.
- (II) Cash, deposits, foreign currency and marketable securities.
- (III) Rights in debts or other property.
- (IV) Other interests of economic value or which may be acquired in exchange for money.

Non-property interests: beneficial interests derived from other personnel matters such as the appointment of directors or officers and all the employees or their affiliates in the Company or vendors and public institutions with which the Company has dealings (hereinafter collectively referred to as the "institutions").

Article 17 Conflict of Interest

Conflict of interest, as defined herein, shall mean any act or omission by a Director or officer and all the employees in the performance of their duties that directly or indirectly benefits them or their affiliates.

Article 18 Obligation to recuse oneself from interest:

- (I) Directors or officers and all the employees who are aware of a conflict of interest shall publicly declare it and recuse themselves.
- (II) Directors or officers and all the employees may not take advantage of the power, opportunity or means of one's position to seek improper advantage for themselves or their affiliates.
- (III) Directors or officers and all the employees' affiliates may not seek to benefit themselves or their employees by engaging in entreaties or lobbying or other improper means towards the relevant people of the institutions.
- (IV) Directors or officers and all the employees or their affiliates may not enter into any sale, purchase, lease, contracting transaction with the institutions for which the Directors or officers and all the employees serve or are supervised by such institutions.
- (V) Directors or officers and all the employees who are aware of their recusal obligations

shall submit a declaration in writing to the head of the unit which they belong in accordance with the "Form of Declaration of Disclosure and Recusal of Interested Relationship" herein (Form 2) and declare it to the human resources unit. The human resources unit shall compile and follow the approval process in accordance with the management procedure of the Company.

Article 19 Penalty

Any person who fails to make a declaration in accordance with this provision shall, in addition to the penalties provided for in Article 20, be fined in accordance with the following provisions:

- (I) If the transaction amount does not exceed NT\$100,000, a fine of more than NT\$10,000 but less than NT\$50,000 will be imposed. If the transaction amount is over NT\$100,000 but does not exceed NT\$1 million, a fine of more than NT\$60,000 but less than NT\$500,000 will be imposed.
- (II) If the transaction amount is over NT\$1 million but does not exceed NT\$10 million, a fine of more than NT\$600,000 but less than NT\$5 million will be imposed.
- (III) If the transaction amount is over NT\$10 million, a fine of more than NT\$6 million but less than double the amount of transaction will be imposed. The amount of transaction shall be determined at the price specified or determined in the contract; if the settlement amount is higher than the original amount, the settlement amount shall be the amount of transaction.

Article 20 Non-recusal response

In addition to the declaration required by these rules, if the Company becomes aware that a Director or officer and all the employees are obligated to recuse themselves, the Company shall immediately notify them to recuse themselves. In the event of violation of law, apart from immediate transfer of the position, they may be removed from office in accordance with the law and the Company may make a claim for proceeds of improper gain.

Article 21 Implementation

After the implementation of these rules, the Directors or officers and all the employees are obligated to make a declaration only to the extent that they still have dealings with the Company. In the event that they are obligated to make a declaration in future, they shall submit a declaration in writing again to the head of the unit which they belong in accordance with the "Form of Declaration of Disclosure and Recusal of Interested Relationship" herein and declare it to the human resources unit. The human resources unit shall compile and follow the approval process in accordance with the management procedure of the Company. New employees are uniformly informed of their obligations by the Human Resources Division at the time of education and training of new employees.

Article 22 This regulation shall be applied after the internal procedures of the Company are approved, and shall be amended in the same manner.