

3.4.7 Implementation of Ethical Corporate Management Best Practice Principles and 4Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Items	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	no	Description	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the Company have an ethical corporate management policy approved by the Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p> <p>(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?</p> <p>(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?</p>	V		<p>(I) The Company's "Ethical Corporate Management Best Practice Principle" was approved by the Board of Directors, which clearly stipulates that directors, executive management and employees should comply with laws and regulations during execution of business operation.</p> <p>(II) The Company has established the "Ethical Corporate Management Best Practice Principle," which is the Company's implementation of the plan to prevent unethical conduct, analyze relatively high risk non-ethical conduct and activities within its scope of business, comply with legal and ethical principles to preserve company assets, equity and image, and strengthen relevant preventive measures.</p> <p>(III) The Company has established a "Code of Ethics Conduct" and "Ethical Corporate Management Best Practice Principle," which clearly specifies programs to prevent unethical conduct and also complies with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, and the relevant regulations for TWSE/TPEX listed Companies, disciplinary and appeal systems for violations. The Company has implemented the measures and regularly reviews the plan for amendments.</p>	<p>No major differences.</p> <p>No major differences.</p> <p>No major differences.</p>
<p>II. Ethical Management Practice</p> <p>(I) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?</p>	V		<p>(I) The Company engaged in commercial activities in a fair and transparent manner. Prior to any commercial transactions, the Company shall take into consideration the legality of trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved. When entering into contracts with other trading counterparties, the Company shall include in such contracts terms requiring compliance with ethical corporate</p>	<p>No major differences.</p>

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	Yes	no	Description	
(II) Has the Company set up a dedicated unit to promote ethical corporate management under the Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical management policy and program to prevent unethical conduct and monitor their implementation?	V		(II) The Company designates the Corporate Governance Group as a dedicated unit to promote ethical corporate management policy, responsibilities of this group include assisting the Board of Directors and management team in formulating and monitor the implementation standards. The group has reported the implementations of ethical corporate management to the Board of Directors on November 9, 2022.	No major differences.
(III) Has the Company established policies to prevent conflicts of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		(III) The Company has established "Ethical Corporate Management Best Practice Principle" and "Code of Ethical Conduct" to prevent from conflicts of interests and provide a proper channel for reporting any illegal or improper behavior, and a dedicated section for stakeholders on the Company's website to provide appropriate channels for reporting.	No major differences.
(IV) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		(IV) The Company has established an effective accounting system and internal control system. The audit unit is responsible for regular and irregular auditing operations, reporting to the Board of Directors regularly, and also appointed CPAs to review The Company's financial statements regularly.	No major differences.
(V) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	V		(V) The Company conducts regular internal training programs for directors, managers, and employees on an annual basis. In 2022, training programs related to ethical corporate management, including topics such as ethical corporate management, prohibition of insider trading, and information disclosure were held. The total duration of these training programs was 180 minutes, with a total of 14 participants	No major differences.
III. Implementation of Complaint Procedures				
(I) Has the Company established specific whistleblowing and reward procedures, set up conveniently accessible whistleblowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	V		(I) The Company has established "Regulations of Whistleblowing Cases on Illegal, Immoral and Unethical Conduct" and "Handling employees' grievances", and has established a complete reporting system and channels. The website has a dedicate section for stakeholders which provides corresponding contact windows for different stakeholders, so that reports and complaints can be expressed via multiple reporting channels, and	No major differences.

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(II) Has the Company established standard operating procedures for investigating the complaints received, follow-up measures taken after investigation and mechanisms ensuring such complaints are handled in a confidential manner?	V		responded by dedicated personnel. (II) The Company has established the "Regulations of Whistleblowing Cases on Illegal, Immoral and Unethical Conduct" and "Handling employees' grievances." The Company will keep confidential and protect the whistleblowers, complainants or investigators. Documentations of case acceptance, investigation processes, investigation results and relevant documents shall be retained.	No major differences.
(III) Has the Company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	V		(III) The Company accepts anonymous and anonymous reporting, and keeps the whistleblower and the contents of the report confidential.	No major differences.
IV. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has set up bilingual website and an external mailbox to disclose information on Ethical Corporate Management Best Practice Principle. The information disclosure and reporting channels are still smooth to ensure that the information is disclosed to the competent authority or the public in an Integral, fair, correct, timely manner.	No major differences.
V. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: The Company has established the "Ethical Corporate Management Best Practice Principle," "Code of Ethical Conduct" and "Staff Work Rules," and operates in accordance with these codes without major differences.				
VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles): The Company adheres to the spirit of ethical corporate management, abides by the Company Act, the Securities and Exchange Act and other laws and regulations, and promotes the policy of ethical corporate management by the customers/(venders), directors, managers and colleagues, so that the Company can develop towards the concept of sustainable management; investment in shareholders, use professional and diligent management to ensure fair, sustainable and competitive returns and create the best interests of shareholders; provide working conditions that protect the health and safety of each employee, listen to employees and sincerely face employee complaints and complaints problems, encourage and assist employees to develop relevant skills and knowledge, and avoid illegal activities. The Company values the rights and opinions of every stakeholder in order to promote the sustainable development of the Company.				