



# Business Ethics Procedure

## 1.0 Purpose:

This Code of Business Conduct and Ethics (hereinafter referred to as "the Code") is established to prevent unethical behavior, promote honesty, and address both substantive and apparent conflicts of interest between individuals and their professions.

## 2.0 Applicability:

Applies to all employees and must be strictly adhered to.

## 3.0 Definitions: None

## 4.0 Responsibilities:

4.1 Human Resources and Administration Center: Responsible for formulating policies for the Code, conducting periodic assessments of policy effectiveness. 4.2 All Departments: Responsible for implementing the policies of the Code.

## 5.0 Procedures:

**5.1 Individual Integrity:** Every company member, regardless of their location, must adhere to honesty and integrity when dealing with issues. Business ethics and personal ethics are inseparable; both must be maintained to the highest standards.

**5.2 Definition of Ethical Standards:** Ethical standards refer to the criteria for judging good and evil, right and wrong, justice and injustice, honor and disgrace, honesty and deceit, rights and obligations.

**5.3 Honesty in Dealings:** Employees must conduct themselves honestly and ethically when interacting with colleagues, clients, suppliers, and all third parties. The company prohibits involvement in illegal activities with related business alliances, and alliances with industry peers aimed at influencing material prices are strictly prohibited. Deceptive practices towards clients and society are strictly forbidden. Anyone has the right and obligation to expose and criticize such behavior.

**5.4 Prohibition of Illegal Compensation:** Employees are expressly prohibited from receiving kickbacks, commissions, or any other form of illegal remuneration from clients or suppliers. Bribing individuals with whom the company conducts business is strictly forbidden and will be dealt with through legal procedures upon discovery.

**5.5 Whistleblower Protection:** Every employee has the right to report unethical behavior within the company. The company commits to protecting the identity of the whistleblower or providing appropriate rewards.

**5.6 Respect and Equality:** Employees must respect the rights of colleagues, subordinates, and third parties, refraining from discriminatory, insulting, or defamatory behavior. Every individual, regardless of age, race, gender, sexual orientation, color, faith, religion, nationality, marriage, or disability, should be granted equal rights.

**5.7 Communication on Professional Ethics:** The company regularly communicates with employees about professional ethics to ensure an increased awareness of dedication, honesty, fairness, service to the community,



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and a commitment to social contributions.

### **5.8 The company's basic code of ethics is as follows:**

5.8.1 Verbal abuse, torture, corporal punishment and maltreatment are prohibited;

5.8.2 Do not interfere with others' work or spy on others' files;

5.8.3 Not to steal or misappropriate the intellectual achievements of others;

5.8.4 Employees shall be modest and prudent in their words and deeds, and shall live in harmony with each other and maintain a high degree of cooperation;

5.8.5 Avoid harming others, be honest, be fair and do not engage in discriminatory acts;

5.8.6 Respect others' privacy and keep secrets;

5.8.7 The Company shall ensure that employees' private files are not disclosed to protect their privacy;

5.8.8 The abnormal behavior of employees in terms of ethics shall be stopped and relevant education and training shall be carried out;

5.8.9 In daily management, especially when employees have problems, the management personnel of the company should communicate with employees in a two-way way, listen to their problems and opinions, and deal with them in an encouraging way;

5.8.10 Company encouragement: effective communication, employee motivation, team spirit.

### 5.9 Conflict of Interest

5.9.1 Conflict of interest: When an employee's personal interests interfere with the overall interests of the company in any form, the employee shall actively avoid affecting the employee's ability to achieve the overall interests of the company. In general, the following should be considered a conflict of interest:

5.9.1.1 Commercial competition: Any employee shall not be employed by any other company that competes with the Company during his/her employment.

5.9.1.2 Company Opportunities: No employee shall use Company property, information or his position in the Company to pursue business opportunities that are intended to develop the Company. If an employee can obtain business opportunities within the scope of the Company's business through the use of the Company's property, information and his position in the Company, the employee shall first grant business opportunities to the Company before pursuing his own development opportunities.

5.9.1.3 Financial Interest: An employee is neither directly or indirectly entitled to a financial interest (equity or otherwise) in another business establishment through his or her spouse or other family member, if such financial interest would affect the performance of the employee's obligations or responsibilities in the Company; Nor can he devote his working time to other matters in order to obtain such financial benefit. No employee shall have any interest in a private company that competes with the Company. Or employees whose duties include the



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management and supervision of business dealings with other companies are not entitled to the interests of that company.

5.9.1.4 Loans and other financial Transactions: No employee shall take out loans or guarantee personal debts from significant customers, suppliers or competitors of the Company, or enter into any private financial transactions. This policy does not prohibit long-term transactions with authorized banks or other financial institutions.

5.9.2 Disclosure of conflict of interest: The Company requires employees to fully disclose any situation that may give rise to a conflict of interest. If you become aware of a conflict of interest, or what others perceive as a conflict of interest, you must immediately report it to your superiors, step by step.

5.9.3 Principles for handling stakeholder relationship: "Stakeholder relationship" refers to the relationship between employees and stakeholders such as customers, business partners, competitors, regulators and other employees. Employees should treat customers, business partners, competitors and other employees fairly.

5.9.4 Family members and effects: The actions of family members outside the workplace may give rise to conflicts of interest because they may affect the subjectivity of employees in making decisions in the name of the company. If a member of the employee's family does business with the Company, the criteria and conditions for initiating or continuing such business relationship must, in similar circumstances, be inferior to those of other unrelated companies with whom the Company wishes to do business. Employees should report any conflicts of interest involving their family members to their supervisors or top management of the company. "Family members" in this Code include your spouse, brothers, sisters and parents, in-laws and children.

### 5.10 Protection and Use of Company Assets:

**5.10.1 Asset Protection:** Employees must protect company assets and ensure their effective use only for legitimate business purposes. Neglect and waste directly impact the company's profits. The use of company assets and funds for personal gain or any illegal or improper purposes is strictly prohibited.

#### 5.10.2 Guidelines for Asset Protection and Proper Use: Employees must:

Exercise care to prevent theft, damage, and misuse of company property.

Promptly report actual or suspected theft, damage, and misuse of company property.

Maintain all electronic plans, data, communications, and written documents to prevent unauthorized use.

Use company property exclusively for legitimate business purposes.

### 5.11 Intellectual Property and Confidentiality:

**5.11.1 Ownership of Inventions and Creative Works:** Any inventions, creative works, computer software, technology, or business secrets obtained by employees during the fulfillment of their duties or through the use of the company's material and technical resources are considered company property.

**5.11.2 Confidentiality Policy:** The company adheres to a strict confidentiality policy. Information obtained



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during business operations from clients, suppliers, and other parties must be kept confidential. Employees, during their employment, must comply with all written or unwritten confidentiality rules and policies applicable to themselves.

**5.11.3 Non-Disclosure of Confidential Information:** Without prior approval from the company, employees should not disclose, publish, or publish any confidential or proprietary business information of the company or its partners obtained through their duties. Employees must not use confidential information for purposes other than their duties.

**5.11.4 Post-Termination Obligations:** Employee confidentiality obligations remain effective after termination of employment until the company publicly discloses such information.

**5.11.5 Return of Company Property:** Upon termination of employment, employees must return all company property, including all forms of confidential information, and are not allowed to retain copies.

**5.12 Competition and Fair Dealing:** The company seeks to surpass competitors fairly and honestly. The company aims for a competitive advantage through outstanding performance rather than unethical or illegal business practices. Stealing patent information, dealing with trade secrets obtained without the owner's consent, or inducing current or former employees of other companies to disclose such information is strictly prohibited.

**5.13 Honesty and Fair Dealing:** Honesty and fair dealing are essential qualities for every employee. It is an important aspect of professional ethics in management work, requiring loyalty, honesty, truthfulness, keeping promises, maintaining credit, and avoiding deception.

### 5.14 Violation of the Code:

**5.14.1 Reporting Violations:** All employees have a responsibility to report any known or suspected violations, including those against laws, regulations, guidelines, and company policies. This action is not disloyalty to others but rather protects the reputation and credibility of the company and its employees.

**5.14.2 Reporting Procedure:** If an employee knows or suspects a violation of this Code, they have the responsibility to immediately report it to the company management. The company will handle reports of violations with due diligence.

**5.14.3 Confidentiality of Reporting:** The company strictly prohibits disclosing the identity, department, or company name of the whistleblower. The revelation of the report to the accused person or department is strictly forbidden. During the investigation, original or copied whistleblower materials must not be presented, and the identity of the whistleblower must not be exposed. For anonymous reports, handwriting analysis is not allowed, and whistleblower materials must not be casually loaned out.

**5.14.4 Retaliation Prohibition:** The company strictly prohibits retaliation against whistleblowing employees. Personnel who violate regulations by leaking information about whistleblowers or retaliating against whistleblowers will be dismissed or have their employment contract terminated. If it involves breaking the law, they will be handed over to judicial authorities for legal action.