
Integrity Management Code of Practice

1. Purpose

This company pursues its commercial activity based on the principles of fairness, honesty, trustworthiness, and transparency. To this end, this Code of Practice has been developed to implement its integrity management policy, which has been designed to actively promote vigilance against dishonest conduct or activities in which there is a conflict of interest, to set up reporting channels, and set behavioral standards for personnel.

This Code of Practice is governed by this company's "Code of Integrity Management" and the "Code of Integrity Management of Listed Companies on the Taiwan Stock Exchange."

2. Scope

The scope includes this company and its subsidiaries covered in the consolidated financial statements, unless those subsidiaries have stipulations to the contrary.

3. Reference Material

The Taiwan Stock Exchange Co., Ltd. "Code of Integrity Management of Listed Companies."

4. Responsibility

This company's Training and Development Department of the Office of Human Resources (hereafter "Responsible Department") handles matters related to this Code of Practice, including revision, implementation, interpretation, consulting services, and registration and filing of notifications. The Responsible Department supervises implementation of this Code of Practice, and makes an annual report to the Board of Directors. It primarily handles the following:

4.1 Cooperates with and assists other departments in integrating honesty and ethical values into the corporate business strategy, and in coordination with the legal and regulatory system, establishes anti-fraud measures and supervisory checks and balances to support integrity management.

4.2 Creates plans of actions to prevent dishonest conduct, and designs standard operating procedures and behavior guidelines for each plan.

4.3 Inspects and assists with optimizing departmental organizations, provides staffing and leadership; sets up a mutual supervision and check-and-balance mechanism for business activities within the business scope that may involve a higher risk of dishonest behavior.

4.4 Handles public communications to promote and coordinate training initiatives related to integrity policy.

4.5 Establishes a reporting/whistleblowing system, and supervise its effectiveness.

4.6 In coordination with the Board of Directors, supervises management to ensure that the preventive measures put in place to for integrity management have been working effectively.

4.7 Practical management considerations may require the Appendix to this Code of Practice to be revised by the reporting department and related units; upon approval, the head of the human resources department will promptly announce the version change.

4.8 Any issues not covered by this Code of Practice are to be handled in accordance with other relevant regulations of the company. This Code of Practice will be implemented after approval of the authorization list; this will also be done with each amendment.

5. Description

5.1 Definition of terms

5.1.1 "Interest" refers to anything of value, including any money in form or name, gifts, commissions, positions, services, preferential treatment, rebates and other property interests and non-property interests. However, when normal social etiquette is involved and the benefit is incidental, and where there is no risk of affecting specific rights and obligations, this provision shall not apply.

Property interests:

- 5.1.1.1 Movable property, real property.
- 5.1.1.2 Cash, savings, deposits, foreign currencies, and securities.
- 5.1.1.3 Debts or other property rights.
- 5.1.1.4 Other interests that have economic value or that can be obtained through monetary transactions.

“Non-property Interests” refers to appointment, promotion, transfer, or other personnel-related measure, undertaken by the party or a Related Person as a business deal or investment at or with this Company.

- 5.1.2 “Company Personnel” refers to the directors, supervisors, managers, employees, appointees, and persons with substantial control capabilities of the company and its subsidiaries in the consolidated financial statements.
- 5.1.3 “Conflict of Interest” refers to persons of the company who directly or indirectly benefit themselves or their Related Persons due to their actions or omissions when performing their duties.
- 5.1.4 “Related Person” refers to:
 - 5.1.4.1 The spouses of company personnel, family members and third-class relatives living together.
 - 5.1.4.2 The trustee of company personnel member’s property held in trust, or their spouse.
 - 5.1.4.3 Company personnel, or individuals, businesses or enterprises with an interest in the first paragraph.
 - 5.1.4.4 Personnel of this company, and personnel mentioned in the first and second paragraphs acting as the person in charge, director, supervisor, or manager of the for-profit enterprise.
- 5.1.5 “Dishonest Behavior” is defined to be when a member of company personnel directly or indirectly provides, accepts, promises, or requests any improper interest, or engages in other conduct that violates integrity, illegality, conflict of interest, avoidance of interest, or breach of fiduciary duty.

The types of behavior addressed by the preceding paragraph covers public officials, candidates for public office, staff members and officials of political parties, and the heads of public and private enterprises or institutions (directors), supervisors (watchdog officials), managers, employees, and persons with substantial power to control, or other interested parties.

5.2 Operation Specification

- 5.2.1 Prohibition on providing or receiving improper interests
 - 5.2.1.1 When a member of company personnel directly or indirectly provides, receives, promises, or requests an interest as defined in Paragraph 3, they shall comply with the company’s “Code of Integrity Management” and the rules of this Code of Practice, and only after the relevant procedures are followed, except under the following circumstances:
 - 1.) Where required by business needs, when visiting, receiving foreign guests, promoting business and communication and coordination at home (or abroad), according to local courtesy, manners or customs.
 - 2.) When participating in normal social activities organized by the other party as a guest, or by hosting these activities, based on normal social etiquette and to further commercial aims or promote relationships.
 - 3.) When invited by clients to participate in specific business activities, factory tours, etc., or when inviting them for such activities due to business needs, and handle them in accordance with the company’s relevant regulations.
 - 4.) When participating in public folk festivals, and inviting the general public to participate.
 - 5.) When people in charge distribute aid, condolence, and comfort in the form of rewards.

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- 6.) When demanded by social etiquette or other compliance with company regulations.
 - 5.2.1.2 Procedures for handling receipt of improper interests
 - 1.) When a member of company personnel is directly or indirectly offered or promised the interests defined under Paragraph 3, that personnel member shall return or refuse it, and report to their direct supervisors and Responsible Department, unless the circumstances are those of the preceding paragraphs. When the interest is returned, it should be handed over to the Responsible Department for processing within one week from the date of receipt.
 - 2.) Depending on the nature and value of the interest mentioned in this paragraph, the Responsible Department shall accept payment for it, propose a refund, revert it to state ownership, transfer it to a charitable or other recommended institution as appropriate, and report to the chairman of the board for approval before carrying out.
 - 5.2.2 Prohibition of facilitating-payments
 - 5.2.2.1 The company shall not provide or promise any facilitating payment.
 - 5.2.2.1 If the personnel of the company provide or promise facilitating payments due to threats or intimidation, they shall report this to their direct supervisor and notify the Responsible Department of this company.
 - 5.2.2.1 Upon receipt of the aforementioned notification, the Responsible Department of this company shall address the issue immediately to reduce the risk of recurrence. If any wrongdoing is discovered, the legal department shall be promptly notified.
 - 5.2.3 Political contributions

The company maintains a position that is politically neutral, and does not make political contributions.
 - 5.2.4 Charitable donations or sponsorships

Charitable donations or sponsorships provided by the company shall be handled in accordance with the relevant regulations of the company.
 - 5.2.5 Abstention
 - 5.2.5.1. The directors, supervisors, managers, and other interested parties of the company who are present or who sit on the Board of Directors, who have an interest in the proposals made by the Board of Directors, and which have a bearing on themselves or the legal person they represent, must give an explanation to the current Board of Directors of the main content of their interests. If these interests are harmful to the company's interests, they shall not participate in the discussion and voting, and shall be abstain from discussion and voting, and shall not act on behalf of other directors in exercising their voting rights.
 - 5.2.5.2. When in the course of performing company business the company's personnel discover a conflict of interest with themselves or the legal person they represent, or if they discover a situation in which they, their spouses, parents, children, or their interested parties may obtain improper interests, this situation shall be reported both to their direct supervisor and to the Responsible Department, and the direct supervisor shall provide appropriate guidance in the matter.
 - 5.2.5.3. The personnel of the company shall not use company resources for commercial activities outside the company, and participation in commercial activities outside the company must not affect their work.
 - 5.2.6 Duty of confidentiality
 - 5.2.6.1 The personnel of this company shall be attentive to the management, preservation and confidentiality of the business secrets, trademarks, patents, works and other intellectual property of this company, and shall not disclose

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- business secrets to others, and they must not inquire about or collect company business secrets that are unrelated to their job.
- 5.2.6.2 Company personnel shall abide by the relevant laws and regulations concerning intellectual property, the company's internal operating procedures, and contract provisions when performing business; they shall not use, leak, dispose of, damage or otherwise infringe intellectual property rights without the consent of the owner of the intellectual property.
- 5.2.7 Fair trade
The company's business activities shall be handled in accordance with the Fair-Trading Law and relevant laws and regulations regarding competition.
- 5.2.8 Prohibition of insider trading
- 5.2.8.1 The personnel of the company shall abide by the provisions of the Securities and Exchange Law, and shall not use the undisclosed information that they know to engage in insider trading, nor disclose it to others, so as to prevent others from using the undisclosed information to engage in insider trading.
- 5.2.8.2 Other institutions or personnel taking part in the company's plans for mergers, breakups, acquisitions, share transfers, major memoranda, strategic alliances, or major contracts, shall sign a confidentiality agreement with the company, and promise not to disclose company trade secrets to others, or other material information that they may know, without the company's consent.
- 5.2.9 Public declaration of standards for operational integrity
The company shall disclose the relevant standards of integrity management in the annual report and on the company website, and announce these at corporate briefings or other public activities in a timely manner, so that suppliers, customers, or other business-related institutions and personnel can clearly understand the company's integrity management philosophy and standards.
- 5.2.10 Integrity management assessment prior to establishment of business relationships
- 5.2.10.1 Before the company establishes a business relationship with others, it is advisable to evaluate the legality of agents, suppliers, customers or other business partners, their integrity management policy, and whether there have been any records of dishonest behavior over a reasonable period of time; this is done to ensure that its business operations are fair, transparent and will not request, offer or accept bribes
- 5.2.10.2 When the company conducts the assessment mentioned in the preceding paragraph, it may adopt appropriate verification procedures to audit its business partners with respect to the following items, in order to understand its integrity management:
- 1.) The company's country, location of operations, organizational structure, and place of payment;
 - 2.) Whether the company has a credit management policy, and how the credit management policy is implemented;
 - 3.) Whether the place where the company operates is a country with a high risk of corruption;
 - 4.) Whether there is an elevated risk of bribery in the industry in which the business operates;
 - 5.) The company's long-term operating conditions and professional reputation;
 - 6.) Whether the company was involved in any bribery or illegal political donations or other publicly documented improprieties in the preceding year.
- 5.2.11 Explain the integrity management rules to business partners
In the course of engaging in business activities, the personnel of the company shall explain the company's integrity management regulations to the transaction partner,

and expressly declare that they will refuse to directly or indirectly provide, promise, request or accept any form or name of improper interests.

5.2.12 Refraining from doing business with dishonest operators

Company personnel should avoid dealing with agents, suppliers or other business partners who have a record of dishonest behavior. If previous dishonest conduct in their business dealings or partners is discovered, or a past record of this, then an assessment should be made as to whether business dealings with them should be discontinued, and if necessary, the company should refrain from doing business with them.

5.2.13 Integrity management stipulation

When the company signs a contract with another party, there should be comprehensive understanding of the other party's integrity management regulations, and clearly specify the following items in the contract:

5.2.13.1 When one party to the contract becomes aware that a member of their personnel has violated the contract clause prohibiting the receipt of commissions, rebates or other illegitimate interests, they shall immediately ascertain the identity of that person, and the method, amount or other improper provision, promise, request or acceptance, and notify the other contractual party promptly and truthfully, providing relevant evidence, and cooperating with any investigation undertaken by the other party. If one party suffers damage as a result, it may request damages from the other party, and the amount shall be deducted from the contract price payable.

5.2.13.2 Information about payments must be clear and reasonable, and include payment location, method, and the relevant tax regulations that must be complied with.

5.2.14 Handling company personnel involved in dishonest conduct

5.2.14.1 The company encourages external and internal personnel to report dishonest behavior or misconduct, and rewards them according to the severity of the matter reported. If internal personnel submit false reports or make malicious accusations, they shall be disciplined, and those with serious circumstances shall be dismissed.

5.2.14.2 The company shall establish and announce reporting mailboxes and dedicated lines for use by external and internal personnel of the company.

5.2.14.3 The company's handling of reports is to be dealt with in Section 6.

5.2.15 Dishonest conduct against this company perpetrated by others

In the event that personnel of this company encounter dishonest actions perpetrated against it, and if illegal activity is involved, the company shall notify the proper legal and law enforcement authorities. If the actions involve public agencies or public servants, the government anti-corruption office should be notified.

5.2.16 Establishing a system for advocacy, rewards, sanctions, appeals, and disciplinary actions

5.2.16.1 At regular intervals, the Responsible Department shall organize outreach within the company to stress the importance of honest operations to the chairman, directors, general manager or senior management directors, employees and appointed persons.

5.2.16.2 The company shall incorporate integrity management into employee performance appraisals and human resources policies, and establish a clear and effective system of rewards, sanctions, and appeals.

5.2.16.3 The company shall dismiss or terminate any of its employees who have committed serious integrity violations in accordance with relevant laws and regulations or in accordance with the company's personnel regulations.

5.2.16.4 On its internal website, the company shall disclose information about the job title and name of the person who committed the violation, as well as

the date it occurred, the substance of the violation, and how the violation was handled.

5.3 Procedures for reporting cases

5.3.1 Receiving department

5.3.1.1 The department that accepts reports is the company's Training and Development Department of the Office of Human Resources.

5.3.1.2 If other company departments or personnel have received information from the report, they should transfer the case to the aforementioned departments for processing.

5.3.2 Reporting channels

A whistleblower making a report can do so in writing, via email, or by telephone.

5.3.2.1 No.3, Lixing 1st Rd., Hsinchu Science Park, Hsinchu 300, Taiwan, received by the Training and Development Department of the Office of Human Resources.

5.3.2.2 Email: Appeal@eink.com

5.3.2.3 Telephone: 03-5643200 ext. 11550

5.3.3 Reporting information

The reporter should provide the following information:

5.3.3.1 The informant's name and address at which they can be contacted, along with their telephone number or email address;

5.3.3.2 The name of the accused person or other information sufficient to identify them;

5.3.3.3 Specific, reasonable grounds for suspicion that can be provided for investigation.

5.3.4 Type of report

The company will accept reports under the following categories:

5.3.4.1 Embezzlement or misappropriation of public funds;

5.3.4.2 Illegal possession and unauthorized disposal of branch company property;

5.3.4.3 Forged documents causing damage to the company;

5.3.4.4 Leaking of company secrets, or divulging of employee or customer;

5.3.4.5 In managerial or supervisory affairs, accepting bribes, or engaging in private business or colluding with fraud, directly or indirectly benefiting the illegal interests of oneself or others;

5.3.4.6 Conflict of interest violations, violations of abstention rules;

5.3.4.7 Other situations where there is a risk of crime, fraud or violation of laws and regulations.

5.3.5 Circumstances that are unacceptable or where the investigation should be stopped:

If one of the following circumstances applies, the reported case may not be accepted, but it should still be recorded in the reporting list for future reference:

5.3.5.1 Anonymous reporting;

5.3.5.2 No related evidence was provided in the report;

5.3.5.3 The reported matter does not fall within the scope of 5.3.4 of this section;

5.3.5.4 The same fact has already been investigated, is currently under investigation, or is being investigated and processed by another department, and no new evidence has been submitted. However, if major evidence that is conducive to the investigation can be presented, no such restriction will apply.

5.3.5.5 A decision was made not to accept the matter, or the case has been closed after investigation. However, if the informant provides specific new evidence to prove that the case is necessary for a reinvestigation, the restriction does not apply.

5.3.6 Handling procedures

5.3.6.1 Matters that have been reported shall be handled confidentially; the company shall keep confidential the identity of the reporter and the content of the report or the personnel involved in the investigation. Those who know

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- the reporter's identity or content of the notification as a result of performing their duties or business shall not make any disclosure of the matter; the informant shall also have the obligation to keep confidential the reported case, and those who violate the regulations shall be handled in accordance with the relevant disciplinary regulations of the company.
- 5.3.6.2 After receiving the case report, it must be recorded in the report list. Investigation procedures shall be carried out after confirmation of acceptance, and relevant departments and company personnel shall cooperate with the investigation or provide assistance. If the reported person is an employee of a subsidiary, the case shall be transferred to the relevant department of the company to which the reported person belongs. However, if the reported case is not handled by the company to which the reported person belongs, the company shall conduct an investigation.
- 5.3.6.3 A person who has a conflict of interest in the investigation of a case shall be recused.
- 5.3.6.4 When the reported person is a director, supervisor, or has duties equivalent to the company's general manager, deputy general manager, chief auditor or equivalent, and serves as the general manager of a subsidiary of the company, or is has an equivalent position up to the deputy general manager of the company (inclusive): The investigative report shall be reviewed by the company's Responsible Department prior to its review by the audit committee, and submitted to the company's or subsidiary's Board of Directors for review. The company's Responsible Department may require the reporter and the reported person to attend the meeting.
- 5.3.6.5 If, after the investigation, the reported person is found to have violated relevant laws and regulations, the matter shall be dealt with promptly in accordance with relevant regulations. The company shall provide the reported person with an opportunity to state his or her viewpoint on the matter, or lodge an appeal, before a decision to sanction has been made.
- 5.3.6.6 The reporter shall be kept informed about the progress of the case, and shall be notified if the case is inadmissible or after the investigation has been completed; the reporter will also be notified of the outcome.
- 5.3.6.7 At regular intervals, the competent authority shall follow up on the report list and its subsequent handling.
- 5.3.6.8 The competent authority shall retain the reporting documents, investigation process, and investigation results in written or electronic files, and store them for five years. In the event of a lawsuit related to the reported matter, the relevant information shall be kept until the lawsuit has concluded.
- 5.3.7 Whistleblower protection
- 5.3.7.1 The relevant personnel of the company handling the case report shall make a written statement that the identity of the reporter and the content of the report shall be kept confidential.
- 5.3.7.2 The company promises to protect the whistleblower in accordance with the law, and will not impose sanctions on the whistleblower that will damage the rights and interests of the law or contract. If the whistleblower believes that he or she has suffered disadvantageous sanctioning due to their report, they may file a complaint with the company's Responsible Department.
- 5.3.8 Rewards and sanctions for reporting
- If the report is determined to be true, a reward may be issued depending on the severity of the matter. If the person who submitted the report is an employee of the company, and an investigation reveals that the reported matter was deliberately leaked, was inconsistent with the facts, or was submitted with malicious intent, affecting the rights and interests of the company or of another party, the company may handle the matter in accordance with the relevant sanction provisions

depending on the severity of the matter, and Section 6 item 7 does not apply.

- 6 Appendix
 - 6.1 Letter of Commitment to Prevent Insider Trading
 - 6.2 Agreement on Integrity, Confidentiality, and Intellectual Property