

## SynPower Co., Ltd.

### Procedures for Ethical Management and Guidelines for Conduct

Approved at the Board of Directors on held on August 9, 2021

#### Article 1 (Purpose and Scope of Application)

In alignment with the principles of fairness, honesty, integrity, and transparency in business activities, the Company has established the Procedures and Guidelines to implement its ethical management policy and actively prevent dishonest behavior. This is done in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies " and the relevant laws and regulations of the jurisdictions where the company and its group enterprises and organizations operate.

The Procedures and Guidelines apply to the Company's subsidiaries, foundations in which the Company or its affiliates hold more than 50% of the voting rights, and other entities or legal bodies where the company has substantial control, including other group enterprises and organizations.

#### Article 2 (Scope of Application)

The term "company personnel" as used in the Procedures and Guidelines refers to the directors, managers, employees, appointees, and individuals with substantial control within the Company and its group enterprises and organizations.

Any improper benefits provided, promised, requested, or received by third parties on behalf of company personnel shall be presumed to have been done by the company personnel themselves.

#### Article 3 (Dishonest Behavior)

The term "dishonest behavior" as used in the Procedures and Guidelines refers to actions taken by company personnel in the course of conducting business to obtain or maintain benefits, such as directly or indirectly offering, receiving, promising, or requesting any improper benefit, or engaging in any other actions that violate integrity, are unlawful, or breach fiduciary duties. The targets of such actions include public officials, political candidates, political parties or party personnel, as well as any public or private enterprises or organizations, including their directors, supervisors, managers, employees, individuals with substantial control, or other stakeholders.

#### Article 4 (Types of Benefits)

The term "benefit" as used in the Procedures and Guidelines refers to refers to any form or title of money, gifts, commissions, positions, services,

privileges, kickbacks, facilitation fees, hospitality, entertainment, or any other valuable items.

#### Article 5 (Dedicated Unit and Responsibilities)

The Company designates the General Manager's Office as the dedicated unit (hereinafter referred to as the "Company's Dedicated Unit"), which reports to the Board of Directors. It is provided with sufficient resources and competent personnel to handle the revision, execution, interpretation, consultation services, and the registration and filing of reported content related to this operating procedure and code of conduct. The main responsibilities of the unit include the following tasks and it should report regularly (at least once a year) to the Board of Directors:

1. Assist in integrating integrity and ethical values into the Company's business strategy and collaborate with relevant legal frameworks to establish anti-corruption measures that ensure ethical management.
2. Regularly analyze and assess the risks of dishonest behavior within the scope of operations, and develop preventive measures against dishonest behavior. The unit should also establish related standard procedures and guidelines for conduct for each preventive measure.
3. Plan the internal organization, structure, and responsibilities, and implement mutual oversight and checks for business activities that carry higher risks of dishonest behavior.
4. Promote and coordinate ethical policy advocacy and training.
5. Plan the whistleblowing system and ensure its effectiveness.
6. Assist the Board of Directors and management in verifying and assessing whether the preventive measures established for ethical management are operating effectively. Regularly evaluate the compliance of related business processes and prepare reports.
7. Produce and properly preserve documents related to the ethical management policy, compliance statements, implementation commitments, and execution details.

#### Article 6 (Prohibition of Offering or Receiving Improper Benefits)

Company personnel are prohibited from directly or indirectly offering, receiving, promising, or requesting any benefits as defined in Article 4, unless one of the following conditions applies. In all cases, the provisions of the " Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies " and the Procedures and Guidelines must be followed, and the relevant procedures must be completed before such

actions can be taken:

1. For business purposes, during domestic and abroad visits, hosting foreign guests, promoting business, or coordinating communication, in accordance with local etiquette, customs, or practices.
2. Participating in or inviting others to attend normal social activities for business purposes or to foster relationships, as part of standard social customs.
3. Inviting clients or being invited to participate in specific business activities, such as factory tours, with clearly defined arrangements regarding the costs, number of participants, accommodation standards, and duration of the activities.
4. Participating in public events, such as folk festivals, which are open to the general public.
5. Rewards, assistance, condolences, or other forms of recognition from superiors.
6. Providing or receiving money, property, or other benefits to or from individuals who are not family members or regular acquaintances; or receiving gifts from others for the majority of company personnel, where the total market value falls within the generally accepted social norms or customary gift practices.
7. Receiving gifts due to personal milestones such as engagements, weddings, childbirth, house moving, employment, promotions, retirement, resignation, departure, or the illness or death of the employee or their spouse or immediate family, as long as the market value does not exceed what is considered reasonable under normal social customs.
8. Other situations that comply with company regulations.

#### Article 7 (Procedure for Handling the Receipt of Improper Benefits)

For matters not covered in the Procedures and Guidelines, the relevant laws and company regulations shall apply.

When company personnel are offered or promised benefits as defined in Article 4, either directly or indirectly, and such benefits do not fall under the exceptions specified in the previous article, the following procedure must be followed:

1. If the person offering or promising the benefit has no business relationship with the company personnel, the personnel should report the receipt of the benefit to their immediate supervisor within three

days of receiving it, and if necessary, inform the Company's dedicated unit.

2. If the person offering or promising the benefit has a business relationship with the company personnel, the benefit should be returned or refused, and the personnel should report the matter to their immediate supervisor and inform the Company's dedicated unit. If returning the benefit is not possible, the company personnel should report it to the dedicated unit within three days of receiving it for further handling.

The term "business relationship" refers to any of the following situations:

1. Having a business relationship, supervisory or oversight authority, or a relationship involving compensation (rewards) or assistance.
2. Engaging in, seeking, or having entered into contracts for business transactions, purchases, or other agreements.
3. Any situation where the decision to act or not act in the Company's business could lead to either a favorable or unfavorable outcome for the individual.

The Company's dedicated unit shall assess the nature and value of the benefit and provide recommendations for returning, paying for, donating to charity, or other appropriate actions. These recommendations shall be submitted to the Chairman for approval and execution.

#### Article 8 (Prohibition of Facilitation Fees and Handling Procedure)

The Company shall not offer or promise any facilitation fees.

If company personnel are threatened or coerced into offering or promising a facilitation fee, they must record the process, report it to their immediate supervisor, and notify the company's dedicated unit.

Upon receiving the notification, the Company's dedicated unit shall immediately address the matter and review the situation to minimize the risk of recurrence. If any illegal activities are identified, the matter should be promptly reported to the judicial authorities.

#### Article 9 (Handling of Political Donations)

The Company shall not provide any political donations.

#### Article 10 (Handling of Charitable Donations or Sponsorships)

When the Company provides charitable donations or sponsorships, the following procedures must be observed. The relevant department must approve the decision according to the delegated authority, and the Company's dedicated unit must be notified. If the amount is NT\$1,000,000

or more, the donation or sponsorship requires Board of Directors approval before it can proceed:

1. The donation or sponsorship must comply with the laws and regulations of the jurisdiction where the Company operates.
2. The decision-making process must be documented in writing.
3. The recipient of the charitable donation must be a charitable organization and cannot be a form of disguised bribery.
4. The expected returns or benefits from the sponsorship must be clear and reasonable, and the recipient must not be a business partner of the Company or an individual with a personal interest related to company personnel.
5. After the charitable donation or sponsorship, the Company must confirm that the funds are used in accordance with the intended purpose of the donation.

#### Article 11 (Conflict of Interest Avoidance)

Directors, managers, and other stakeholders attending or participating in Board of Directors who have a personal or business interest in any agenda items related to themselves or their represented legal entities, must disclose the material details of such interest at the meeting. If such interest could harm the Company's interests, they are prohibited from participating in the discussion or voting, and must recuse themselves during the discussion and voting process. Additionally, they are not allowed to delegate their voting rights to other directors. Directors should also act with self-discipline and avoid improper mutual support.

If a director's spouse, blood relatives within the second degree, or a company under the directors control have an interest in the matter discussed at the meeting, the director is considered to have a personal interest in the matter as well.

When company personnel encounter situations where their own interests, or those of the legal entity they represent, conflict with company business, or when they might provide improper benefits to themselves, their spouse, parents, children, or any related party, they must report the situation to both their immediate supervisor and the Company's dedicated unit. The immediate supervisor should provide appropriate guidance on handling the situation.

Company personnel are prohibited from using company resources for external business activities, and must not allow such activities to interfere

with their job performance.

Article 12 (Organization and Responsibility of the Confidentiality Mechanism)

The Company shall establish a dedicated unit responsible for formulating and implementing the management, preservation, and confidentiality procedures for the Company's trade secrets, trademarks, patents, copyrights, and other intellectual properties. This unit shall also regularly review the implementation results to ensure the continued effectiveness of these procedures.

Company personnel must strictly adhere to the relevant operational guidelines for intellectual property, and are prohibited from disclosing any company trade secrets, trademarks, patents, copyrights, or other intellectual properties to others. They must also refrain from inquiring about or collecting company trade secrets, trademarks, patents, copyrights, or other intellectual properties that are not related to their duties.

Article 13 (Prohibition of Unfair Competition)

In conducting business activities, the Company shall comply with the Fair Trade Act and related competition laws. The Company shall not engage in price-fixing, bid rigging, production or supply restrictions, or market sharing or division through customer allocation, supplier allocation, territorial distribution, or business type segmentation.

Article 14 (Prevention of Harm to Stakeholders from Products or Services)

The Company shall gather and understand the relevant regulations and international standards for the products and services it provides. Key considerations shall be summarized and publicly disclosed to encourage company personnel to ensure transparency and safety in the development, procurement, manufacturing, provision, or sale of products and services.

The Company shall establish and publicly disclose on its website a policy for the protection of consumers or other stakeholders' rights and interests, in order to prevent any direct or indirect harm to the rights, health, or safety of consumers or other stakeholders due to its products or services.

If media reports or factual evidence suggest that the Company's products or services pose a risk to the safety and health of consumers or other stakeholders, the Company shall immediately recall the affected batch of products or suspend the service, investigate the facts to verify their accuracy, and propose corrective improvement plans.

The Company's dedicated unit shall report the situation, the handling method, and subsequent review and improvement measures to the Board of

Directors.

Article 15 (Prohibition of Insider Trading and Confidentiality Agreement)

Company personnel shall comply with the Securities and Exchange Act and shall not engage in insider trading by using non-public information that they are aware of. They shall also not disclose such information to others, in order to prevent others from using that non-public information for insider trading. Individuals or entities involved in the Company's mergers, demergers, acquisitions, share transfers, important memoranda, strategic alliances, other business cooperation plans, or significant contracts, must sign a confidentiality agreement with the company. They must commit not to disclose any business secrets or other critical information they become aware of from the Company, and may not use such information without the Company's consent.

Article 16 (Compliance and Declaration of Ethical Management Policy)

The Company shall require directors and senior management to issue a declaration of compliance with the ethical management policy, and shall require employees to adhere to the ethical management policy as a condition of employment.

The Company shall disclose its ethical management policy in internal regulations, annual reports, the company website, or other promotional materials. It shall also announce the policy in external activities such as product launches, corporate briefings, and other public events, ensuring that suppliers, customers, and other business-related organizations and personnel are clearly informed of the Company's ethical management principles and standards.

Article 17 (Ethical Management Evaluation Prior to Establishing Business Relationships)

Before establishing business relationships with others, the Company shall first evaluate the legitimacy, ethical management policies, and any history of dishonest conduct of agents, suppliers, customers, or other business partners to ensure that their business practices are fair, transparent, and do not involve any requests, offers, or acceptance of bribes.

In conducting the above evaluation, the Company may adopt appropriate verification procedures to review the following matters related to its business partners to assess their ethical management status:

1. The country of operation, location of business, organizational structure, business policies, and payment locations of the enterprise.

2. Whether the enterprise has established an ethical management policy and the implementation status of such policy.
3. Whether the enterprise operates in a country with a high risk of corruption.
4. Whether the business sector the enterprise operates in is high-risk for bribery.
5. The long-term business performance and reputation of the enterprise.
6. The long-term business performance and reputation of the enterprise.
7. Whether the enterprise has any record of dishonest behavior, such as involvement in bribery or illegal political donations.

Article 18 (Explanation of Ethical Management Policies to Business Partners)

In the course of engaging in business activities, the Company's personnel shall explain the company's ethical management policies and related regulations to business counterparts and explicitly refuse to offer, promise, request, or accept any form or type of improper benefit, either directly or indirectly.

Article 19 (Avoidance of Transactions with Unethical Business Operators)

Company personnel should avoid engaging in business transactions with agents, suppliers, customers, or other business counterparts involved in unethical behavior. If it is discovered that a business partner or collaborator is involved in unethical conduct, all business dealings with them should be immediately terminated, and they should be listed as a "do not engage" entity, in order to implement the Company's ethical management policies.

Article 20 (Contractual Specification of Ethical Management)

When the Company enters into a contract with another party, it should fully understand the other party's ethical management status and incorporate the compliance with the Company's ethical management policies into the contract terms. The contract should at least specify the following:

1. If either party becomes aware of personnel violating the contract terms prohibiting the receipt of commissions, kickbacks, or other improper benefits, the party must immediately inform the other party of the identity of such personnel, the method, amount, or other improper benefits provided, promised, requested, or received, and provide relevant evidence to cooperate with the investigation. If any party suffers damages as a result, it may request compensation from the other party and may deduct the damages from the contract price payable to the other party.



2. If any party is involved in unethical behavior in its business activities, the other party may terminate or rescind the contract unconditionally at any time.
3. The contract should clearly and reasonably define the payment terms, including payment location, method, and compliance with relevant tax regulations.

#### Article 21 (Handling of Ethical Violations by Company Personnel)

The Company encourages both internal and external personnel to report unethical behavior or misconduct. Depending on the severity of the reported incident, appropriate rewards may be provided to the whistleblower. Internal personnel who submit false or malicious accusations will be subject to disciplinary action, and in severe cases, may face dismissal.

The Company has established and publicly announced independent whistleblowing channels on the company website and internal portal, or has entrusted external independent organizations to provide whistleblowing boxes and hotlines for use by both internal and external personnel.

The whistleblower should provide at least the following information:

1. The whistleblower's name, ID number (anonymous reporting is also allowed), and contact details such as address, phone number, and email address.
2. The name or other identifying information of the person being reported.
3. Specific evidence that can be investigated.

Personnel handling the reports of misconduct must provide a written statement to ensure confidentiality regarding the identity of the whistleblower and the content of the report. The company also commits to protecting the whistleblower from any improper treatment resulting from the report.

The responsible unit of the Company should follow these procedures when handling reports of misconduct:

1. If the report involves a general employee, it should be submitted to the department supervisor. If the report involves a director or senior executive, it should be submitted to the independent directors.
2. The responsible unit of the company and the supervisor or personnel receiving the report should immediately investigate the facts. If necessary, assistance may be provided by the legal compliance or other relevant departments.
3. If the reported person is confirmed to have violated relevant laws or

the company's ethical management policies and regulations, the person should immediately cease the reported behavior. Appropriate actions should be taken, and if necessary, the case should be reported to the relevant authorities, transferred to judicial authorities for investigation, or legal actions should be pursued for damage compensation to protect the Company's reputation and interests.

4. Records of the reporting, investigation process, and results should be kept in written form for five years, and may be stored electronically. If there is an ongoing lawsuit related to the reported incident before the retention period expires, the relevant data should continue to be kept until the lawsuit is concluded.
5. If the reported incident is verified to be true, the responsible unit should require the relevant department to review and improve internal control systems and operational procedures to prevent similar incidents from occurring again.
6. The responsible unit should report the details of the whistleblowing, the handling process, and subsequent review and improvement measures to the Board of Directors.

#### Article 22 (Handling of Unethical Behavior by Others Towards the Company)

If company personnel encounter unethical behavior directed towards the Company, and if such behavior involves illegal activities, the Company shall notify the judicial and prosecutorial authorities of the relevant facts. If the behavior involves public agencies or public officials, the Company shall also notify the government's anti-corruption authorities.

#### Article 23 (Internal Promotion, Establishment of Reward and Punishment, Grievance System, and Disciplinary Actions)

The Company's dedicated unit shall organize internal promotions on an irregular basis every year, with the Chairman, General Manager, or senior management conveying the importance of integrity to the Board of Directors, employees, and appointees.

The Company shall incorporate ethical management into employee performance evaluations and human resources policies, establishing clear and effective systems for rewards, penalties, and grievances.

For personnel who violate ethical conduct in significant cases, the Company shall dismiss or terminate them in accordance with relevant laws or the Company's personnel regulations.

#### Article 24 (Implementation)

These Procedures and Guidelines shall be implemented after being approved by the Board of Directors and submitted to the Audit Committee and reported to the shareholders' meeting. The same procedure applies when making revisions.

When the Company submits the Procedures and Guidelines to the Board of Directors for discussion, it must fully consider the opinions of the independent directors. Any objections or reservations raised by independent directors should be clearly recorded in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express their objections or reservations, they should provide written opinions in advance, unless there is a valid reason, and these should be included in the minutes of the Board of Directors.