

## SynPower Co., Ltd.

### Ethical Corporate Management Best Practice Principles

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

#### Article 1 (Purpose and Basis for Adoption)

The Principles are established to assist the Company in building a culture of integrity and sound development, and to provide a reference framework for establishing effective business operations.

The scope of the Principles applies to subsidiaries, foundations where the Company or its affiliates directly or indirectly contribute more than 50%, and other entities or legal persons with substantial control over the Company, as well as group enterprises and organizations (hereinafter referred to as "Group Enterprises and Organizations").

#### Article 2 (Prohibition of Dishonest Conduct)

The Company's directors, Audit Committee members, managerial officers, employees, appointees, or those with substantial control (hereinafter referred to as "Substantial Controllers") shall not, during the course of engaging in business activities, directly or indirectly offer, promise, request, or accept any improper benefits, nor engage in other dishonest conduct that violates integrity, is unlawful, or breaches fiduciary duties, with the intent to obtain or maintain benefits (hereinafter referred to as "Dishonest Conduct").

The subjects of such conduct include public officials, political candidates, political party members or party staff, as well as any public or private enterprises or institutions, and their directors, supervisors, managerial officers, employees, substantial controllers, or other interested parties.

#### Article 3 (Types of Benefits)

The term "benefit" as used in the Principles refers to anything of value, including money, gifts, commissions, positions, services, privileges, kickbacks, and other similar items, regardless of their form or designation. However, normal social courtesies that are occasional and do not pose a risk of affecting specific rights or obligations are excluded from this definition.

#### Article 4 (Compliance with Laws and Regulations)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Officials' Conflict of Interest Avoidance Act, relevant regulations for listed companies, and other laws

related to business conduct, as the fundamental premise for implementing integrity-based operations.

Article 5 (Policy)

The Company shall establish policies based on a foundation of integrity and the operating principles of honesty, transparency, and responsibility. These policies, once approved by the Board of Directors, will facilitate the creation of a sound corporate governance and risk control framework, ultimately fostering a sustainable operating environment.

Article 6 (Prevention Plans)

The ethical management policies established by the Company shall clearly and thoroughly define specific practices for ethical business conduct and prevention plans for dishonest behavior (hereinafter referred to as "Prevention Plans"), including operational procedures, behavioral guidelines, and training programs.

The Company's Prevention Plans shall comply with the relevant laws and regulations of the jurisdictions in which the Company and its group enterprises and organizations operate.

In the process of developing the Prevention Plans, the Company should communicate with employees, unions, key business partners, or other stakeholders.

Article 7 (Scope of Prevention Plans)

The Company shall establish a risk assessment mechanism for dishonest behavior and regularly analyze and evaluate business activities within its scope that have a higher risk of dishonest conduct. Based on this, the Company shall develop Prevention Plans and periodically review their appropriateness and effectiveness.

The Company is advisable to refer to commonly accepted domestic and international standards or guidelines when formulating the Prevention Plans, which should at least cover preventive measures for the following behaviors:

1. Bribery and accepting bribes.
2. Providing illegal political donations.
3. Improper charitable donations or sponsorships.
4. Offering or accepting unreasonable gifts, hospitality, or other improper benefits.
5. Infringement of trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competition practices.

7. Products and services that, during research and development, procurement, manufacturing, provision, or sale, directly or indirectly harm the rights, health, or safety of consumers or other stakeholders.

Article 8 (Commitment and Implementation)

The Company shall require its directors and senior management to provide a statement of compliance with the ethical management policy and shall include the requirement for employees to adhere to the ethical management policy in their employment terms.

The Company and its group enterprises and organizations shall explicitly state the ethical management policies in their regulations, external documents, and on the Company website. The Board of Directors and senior management shall commit to actively implementing these policies and ensure their enforcement in both internal management and external business activities.

The Company shall document the policies, statements, commitments, and implementations related to the first and second ethical management policies, and ensure that these documents are properly maintained.

Article 9 (Integrity in Business Activities)

The Company shall conduct its business activities based on the principles of integrity, ensuring fairness and transparency.

Before engaging in business transactions, the Company should evaluate the legality and integrity history of its agents, suppliers, customers, or other business partners to avoid dealing with entities or individuals involved in dishonest conduct.

When entering into contracts with others, the content of the contract should include provisions requiring compliance with the ethical management policy, and stipulate that the contract may be terminated or rescinded at any time if the other party is involved in dishonest conduct.

Article 10 (Prohibition of Bribery and Accepting bribes)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall not directly or indirectly offer, promise, request, or accept any form of improper benefit during the execution of business activities. This includes kickbacks, commissions, facilitation payments, or providing or accepting improper benefits through other means from customers, agents, contractors, suppliers, public officials, or other interested parties.

Article 11 (Prohibition of Providing Illegal Political Donations)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall ensure that any direct or indirect donations to political parties, organizations participating in political activities, or individuals comply with the Political Donations Act and the Company's internal procedures. Such donations must not be made with the intent of seeking commercial benefits or transaction advantages.

Article 12 (Prohibition of Improper Charitable Donations or Sponsorships)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall ensure that charitable donations or sponsorships comply with relevant laws and internal procedures, and shall not be used as a disguised form of bribery.

Article 13 (Prohibition of Unreasonable Gifts, Hospitality, or Other Improper Benefits)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits with the intention of establishing business relationships or influencing business transactions.

Article 14 (Prohibition of Intellectual Property Infringement)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall comply with intellectual property laws, internal procedures, and contractual agreements. Without the consent of the intellectual property rights owner, they shall not use, disclose, dispose of, damage, or engage in any other act that infringes on intellectual property rights.

Article 15 (Prohibition of Unfair Competition)

The Company shall conduct its business activities in accordance with relevant competition laws and regulations. It shall not engage in price-fixing, bid-rigging, limiting production or quotas, or sharing or dividing markets by allocating customers, suppliers, operational regions, or types of business.

Article 16 (Prevention of Product or Service Harm to Stakeholders)

The Company, along with its directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers, shall adhere to relevant regulations and international standards during the research and development, procurement, manufacturing, provision, or sale of products and services. The Company must ensure transparency and safety

of product and service information, establish and publicly disclose policies to protect the rights and interests of consumers and other stakeholders, and implement these policies in its operations. This is to prevent products or services from directly or indirectly harming the rights, health, or safety of consumers or other stakeholders. If there is factual evidence suggesting that a product or service poses a risk to the safety and health of consumers or other stakeholders, the Company shall, in principle, recall the affected products or cease the service immediately.

#### Article 17 (Organization and Responsibilities)

The Company's directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers shall exercise the duty of good management and oversight to prevent unethical conduct, regularly review the effectiveness of its implementation, and continuously improve the execution of the ethical management policy.

To ensure effective ethical management, the Company shall establish a dedicated unit under the Board of Directors, allocate sufficient resources, and appoint qualified personnel responsible for developing and overseeing the implementation of the ethical management policy and preventive measures. This unit shall primarily handle the following tasks and report to the Board of Directors at least once a year:

1. Assist in integrating ethical and ethical values into the Company's business strategy and collaborate with legal and regulatory frameworks to establish preventive measures to ensure ethical business practices.
2. Regularly analyze and assess the risk of unethical behavior within the business operations, develop preventive plans, and establish relevant standard operating procedures and behavioral guidelines for each plan.
3. Plan internal organization, structure, and responsibilities, and implement mutual oversight mechanisms for business activities with higher risks of unethical behavior.
4. Promote and coordinate ethical policy awareness and training programs.
5. Develop and implement a whistleblowing system to ensure its effectiveness.
6. Assist the Board of Directors and management in auditing and evaluating the effectiveness of the preventive measures established for ethical management, and regularly assess compliance with relevant business processes, producing a report on the findings.

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

The Company's directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers shall comply with applicable laws and regulations, as well as the prevention plans, when executing business activities.

Article 19 (Conflict of Interest Avoidance)

The Company shall establish a policy to prevent conflicts of interest, which will be used to identify, monitor, and manage the risks of dishonest behavior that may arise from such conflicts. The Company will provide appropriate channels for directors, Audit Committee members, managerial officers, and other stakeholders attending or present at the Board of Directors to proactively disclose any potential conflicts of interest with the Company.

Directors, Audit Committee members, managerial officers, and other stakeholders attending or present at Board of Directors who have a personal or representative corporate interest in any agenda item should disclose the material details of their interest during the meeting. If such interest is likely to harm the Company's interests, they must abstain from both discussion and voting on the matter. Furthermore, they may not proxy other directors to exercise their voting rights. Directors should also self-regulate and avoid improper mutual support.

Directors, Audit Committee members, managerial officers, employees, appointees, and substantial controllers of the Company shall not use their positions or influence within the Company to gain improper benefits for themselves, their spouses, parents, children, or any other individuals.

Article 20 (Accounting and Internal Control)

The Company shall establish an effective accounting system and internal control system for business activities with higher risks of dishonest behavior. The Company shall not have off-the-books or secret accounts and shall continuously review and ensure that the design and execution of these systems remain effective.

The internal audit department of the Company shall develop relevant audit plans based on the assessment results of dishonest behavior risks. These plans should specify the audit targets, scope, items, frequency, and should be used to verify the compliance with the prevention plan. The department may appoint certified public accountants to conduct the audits, and when necessary, may engage professional experts for assistance.

The results of the audit shall be reported to senior management and the

integrity operation dedicated unit, and an audit report shall be submitted to the Board of Directors.

Article 21 (Procedures and Guidelines for Conduct)

In accordance with Article 6, the Company shall establish procedures and guidelines for conduct to specifically regulate the duties and responsibilities of the Board of Directors, Audit Committee, management, employees, and those with substantial control over the Company. The content of these procedures and guidelines shall at least cover the following matters:

1. Standards for identifying the provision or acceptance of improper benefits.
2. Procedures for handling legitimate political donations.
3. Procedures and monetary standards for providing legitimate charitable donations or sponsorships.
4. Regulations for avoiding conflicts of interest related to duties, along with their reporting and handling procedures.
5. Confidentiality regulations for sensitive business and confidential information obtained in the course of business.
6. Regulations and procedures for dealing with suppliers, customers, and business partners involved in dishonest behavior.
7. Procedures for addressing violations of the corporate integrity and ethical conduct code.
8. Disciplinary actions to be taken against violators.

Article 22 (Education, Training, and Assessment)

The Company shall regularly provide education, training, and advocacy on integrity to the directors, Audit Committee, managers, employees, appointees, and beneficial controllers, and invite relevant counterparties involved in business activities with the company to participate. This will ensure they fully understand the company's commitment to integrity, policies, preventive measures, and the consequences of violating integrity-related behaviors.

The Company should integrate the ethical management policy with employee performance assessments and human resources policies, establishing a clear and effective system of rewards and penalties.

Article 23 (Whistleblowing System)

The Company shall regularly provide education, training, and advocacy on integrity to the directors, Audit Committee, managers, employees, appointees, and beneficial controllers, and invite relevant counterparties

involved in business activities with the company to participate. This will ensure they fully understand the company's commitment to integrity, policies, preventive measures, and the consequences of violating integrity-related behaviors.

The Company should integrate the ethical management policy with employee performance assessments and human resources policies, establishing a clear and effective system of rewards and penalties.

The Company shall establish a specific whistleblowing system and ensure its effective implementation. The system should at least cover the following items:

1. Establish and publicly announce an internal independent whistleblowing mailbox, hotline, or outsource to an external independent institution to provide a whistleblowing mailbox or hotline, available for use by both internal and external individuals.
2. Appoint dedicated personnel or units to handle whistleblowing cases. If the matter involves directors or senior management, it should be reported to the independent directors or the Audit Committee. The company should also establish categories for whistleblowing issues and standard operating procedures for investigation.
3. Establish follow-up measures to be taken after the investigation of a whistleblowing case, depending on the severity of the issue. If necessary, the company should report the matter to the relevant authorities or refer it to judicial bodies for investigation.
4. Maintain records and preservation of the whistleblowing case acceptance, investigation process, investigation results, and related documents.
5. Ensure confidentiality of the whistleblower's identity and the content of the whistleblowing, and allow anonymous reports.
6. Protect whistleblowers from any improper treatment as a result of their whistleblowing actions.
7. Provide reward measures for whistleblowers. If the personnel or units handling whistleblowing find, through investigation, that there are significant violations or that the company faces the risk of substantial harm, they should immediately prepare a report and notify the independent directors or the Audit Committee in writing.

If the personnel or units handling the whistleblowing find significant violations or potential substantial harm to the company during the



investigation, they should immediately prepare a report and notify the independent directors or the Audit Committee in writing.

Article 24 (Disciplinary and Appeals System)

The Company shall clearly define and publicly announce the disciplinary and appeals system for violations of ethical management regulations. The company should promptly disclose relevant information on the internal website, including the title, name, date of violation, details of the violation, and the handling status of the individual involved.

Article 25 (Information Disclosure)

The Company shall establish quantitative data to promote ethical management and continuously analyze and assess the effectiveness of its ethical policies. The company should disclose its ethical management measures, implementation status, and the aforementioned quantitative data and results on the company website, annual report, and prospectus. Additionally, the company should disclose the content of its ethical management code on the market observation post system.

Article 26 (Review and Revision of Ethical Management Policies and Measures)

The Company shall continuously monitor the development of domestic and international ethical management regulations and encourage directors, the Audit Committee, managers, and employees to offer suggestions. Based on these inputs, the company should review and improve its established ethical management policies and measures to enhance the effectiveness of the Company's ethical management implementation.

Article 27 (Implementation)

These Principles 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 Principles 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 of Directors. If an independent director is unable to attend the Board of Directors 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.