

Chalease Holding Company Limited

Procedures for Ethical Management and Guidelines for Conduct

Confidential

Adopted by Board of Directors on June 17, 2011

Amendment and adopted by Board of Directors on March 26, 2015

Amendment and adopted by Board of Directors on March 6, 2019

Amendment and adopted by Board of Directors on March 25, 2020

Amendment and adopted by Board of Directors on December 16, 2022

Article 1 (Purpose of adoption and scope of application)

This Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter referred to as "Procedures and Guidelines") are adopted pursuant to Article 7 of the Ethical Corporate Management Best Practice Principles of this Company and the relevant governing laws of this Company and/or its subsidiaries with a view to providing all personnel of this Company with clear directions for the performance of their duties.

The scope of application of these Procedures and Guidelines includes the subsidiaries of this Company, any incorporated foundation in which this Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by this Company (hereinafter referred to as the "Company and Subsidiaries").

Article 2 (Applicable subjects)

For the purposes of these Procedures and Guidelines, the term "personnel of this Company" refers to any director, supervisor, managerial officer, employee, mandatory, or person having substantial control, of this Company or its group enterprises and organizations.

Any provision, promise, request, or acceptance of any improper benefits in whatever form or name by any personnel of this Company through a third party will be presumed to be an act by the personnel of this Company.

Article 3 (Unethical conduct)

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of this Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 (Types of benefits)

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5 (Responsible unit)

This Company established the Corporate Governance and Sustainable Development Committee, which is a division of the Board of Directors, as the solely responsible unit (hereinafter, "responsible unit"), being allocated enough resources and qualified personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following tasks, and periodically (at least one time a year) report to the Board of Directors:

1. Assisting in incorporating ethics and moral values into this Company's business strategy and adopting appropriate prevention measures against corruption and

malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.

2. Periodically analyzing and evaluating the risk of unethical conduct within the scope of business, and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the Board of Directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
7. Compiling documented information on the ethical management policy, statement, commitment and implementation thereof, and retain the said information properly.

Article 6 (Prohibition against providing or accepting improper benefits)

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits under Article 4, the conduct of the given personnel of this Company shall comply with the provisions of the Ethical Corporate Management Best Practice Principles of the Company and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits in

relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.

4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Other conduct that complies with the rules of this Company.

Article 7 (Procedures for handling the acceptance of improper benefits)

Except under any of the circumstances set forth in the preceding article, when any personnel of this Company are provided with or are promised, either directly or indirectly, any benefits under Article 4 and by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of this Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of this Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of this Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding this Company and Subsidiaries' business, or the execution or non -execution of business, will result in a beneficial or adverse impact.

The responsible unit of this Company shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported to and approved by President of the Company.

Article 8 (Prohibition of and handling procedure for facilitating payments)

This Company and Subsidiaries shall neither provide nor promise any facilitating payment.

If any personnel of this Company provide or promise a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 (Stance on Political Neutrality)

The Company shall hold her stances on political neutrality and in no circumstances embark on any campaign contributions. The personnel of the Company during the working hours shall not discuss any political issues with each other, engage in any political activities and be restricted either to post any posters, advertisements or disseminate any speech materials in connection with political activities in workplace.

Article 10 (Procedures for handling charitable donations or sponsorships)

Charitable donations or sponsorships by this Company and Subsidiaries shall be provided in accordance with Article 145 of the Memorandum and Articles of Association of Chailease Holding Limited Company, and the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount of a donation reaches the criterion set out in Article 12 of Chailease Holding Company Limited Regulations Governing Procedure for Board of Directors Meetings of in connection with a donation by the Company and Subsidiaries to related parties and a major donation by the Company and Subsidiaries to non-related parties, or the amount of sponsorships reaches NT\$1,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for

adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where this Company is doing business.
2. A written record of the decision making process shall be kept.
3. A charitable donation shall be given to a valid education, culture, public welfare, charity institution or group, and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of this Company and Subsidiaries' commercial dealings or a party with which any personnel of this Company has a relationship of interest.
5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 (Recusal)

The directors, supervisors, managerial officer, and other interested parties attending or presenting at board meetings, shall maintain a high degree of self-discipline; when a proposal at a board of directors meeting concerns the concerned person's personal interest or the interest of the juristic person represented by the concerned person, that party shall state the important aspects of the relationship of the interest at the govern board meeting. If such a relationship is likely to prejudice the interest of this Company, that concerned person may express opinions and answer questions but may not participate in the discussion nor vote on that proposal. In addition, that concerned person shall recuse himself or herself when the discussion and voting is in progress, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

If in the course of conducting company business, any personnel of this Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person

with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of this Company may use company resources on commercial activities other than those of this Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Company.

Article 12 (Special unit in charge of confidentiality regime and its responsibilities)

The Chief Corporate Governance Officer and the Legal Division of the Company shall be responsible for handling the Company and Subsidiaries' intellectual properties rights, which include but not limited to trade secrets, trademark, patent and copyrights. The special unit shall be charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Company's trade secrets, and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

All personnel of this Company shall faithfully follow the operational directions pertaining to the trade secrets of this Company, and may not disclose to any other party any intellectual properties rights of this Company of which they have learned, nor may they inquire about or collect any trade secrets of this Company unrelated to their individual duties.

Article 13 (Prohibition against conduct of unfair competition)

This company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14 (Prohibition against insider trading)

This Company's personnel shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging the undisclosed information to any other party in order to prevent another party from using such information to engage in insider trading.

Article 15 (Non-disclosure agreement)

Any organization or person outside of this Company and Subsidiaries that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by this Company and Subsidiaries shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of this Company and Subsidiaries acquired as a result, and that they may not use such information without the prior consent of this Company and Subsidiaries.

Article 16 (Compliance and announcement of policy of ethical management)

This Company and Subsidiaries shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

This Company and Subsidiaries shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 (Ethical management evaluation prior to development of commercial relationships)

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, this Company and Subsidiaries shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of unethical conduct or has been involved in any unethical conduct event, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When this Company and Subsidiaries carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
5. The long-term business condition and degree of goodwill of the enterprise.
6. Consultation with the enterprise's business partners on their opinion of the enterprise.
7. Whether the enterprise has a record of unethical conduct or has been involved in any unethical conduct event, such as bribery or illegal political contributions.

Article 18 (Statement of ethical management policy to counterparties in commercial dealings)

Any personnel of this Company, when engaging in commercial activities, shall make a statement to the trading counterparty about this Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 19 (Avoidance of commercial dealings with unethical operators)

All personnel of this Company shall avoid business transactions with agent, supplier, customer, or other counterparty engaging in unethical conducts. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement this Company's ethical management policy.

Article 20 (Stipulation of terms of ethical management in contracts)

Before entering into a contract with another party, this Company and Subsidiaries shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of this Company's ethical policy part of the terms and conditions

of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of receiving commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been any damages incurred to the Company and Subsidiaries, the Company and Subsidiaries may claim from the other party, and may also deduct the full amount of the damages from the contract price payable.
2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21 (Handling of unethical conduct by personnel of this Company)

This Company and its subsidiaries encourages and rewards the whistle-blowers in according to the Staff Rewards and Punishments Policies for complaint about unethical or improper conduct. If the personnel of this Company make a false or malicious report, this Company shall impose punishment on that person. If the false or malicious report causes serious effect, this Company shall dismiss that person.

This Company shall adopt a whistle-blowing system on its external and internal websites, which includes the independent mailbox or hotline, or appoint an independent external institution to provide such system. The points of contact are as follow:

1. Fraud or bribers cases
 - To: Internal Audit Officer of Chailease Holding Company Limited
 - Tel: (886-2)8752-6388 Ext. 76281
 - Fax:(886-2)8751-9419
 - E-Mail: Anti_Fraud@chailease.com.tw
 - Mailing Address: No. 362, Rueiguang Rd., Taipei, Taiwan 11492
2. Violation of code of Conduct cases
 - To: Chief Human Resource Officer Chailease Holding Company Limited
 - Tel: (886-2)8752-6388 Ext. 76280

- Fax:(886-2)8751-9419
- E-Mail:HR@chailease.com.tw
- Mailing Address: No. 362, Rueiguang Rd., Taipei, Taiwan 11492

The whistle-blower shall at least provide the following information:

1. Reports on violations of the Code of Conduct that are submitted anonymously will not be accepted, but Fraud and bribery reports will be accepted anonymously.
2. For real-name reporting, information such as the name, unit, position, details of report, and amounts related to the case should be provided;
3. If an anonymous report is submitted with authentic evidence, and all the information of the case is very clear, such as the name, time, place, and related parties, the personnel handling the report may also start the internal preliminary investigation.

The personnel handling the report shall provide written notice to undertake non-disclosure obligations to the identity of the whistle-blower and the content of reported case. This Company promise to protect the whistle-blowers from any inappropriate disciplinary actions due to their whistle-blowing.

The responsible unit shall proceed to this task as follow when addressing the issues of whistle-blowing:

1. Any tip involving employees shall be reported to the supervisor of that department; any tip involving directors or senior managers shall be reported to the independent directors or supervisors.
2. The responsible unit and the supervisor under Article 21 paragraph 1 shall immediately investigate the facts. The Chief Corporate Governance Officer and the legal division or other relevant department shall provide help if necessary.
3. If the reported personnel is proven to be infringed with the laws or the ethical policy of this Company, this Company shall immediately take proper actions, report to the relevant authority, and transfer the case to judicial institution if necessary, to procure that personnel to stop the relevant activities. In addition, this Company shall take legal actions for remedies to secure the reputation or rights to this Company.
4. This Company shall record the submitted report, investigations and results in written for at least three (3) years. The record can be stored as electrical format. If any litigations or other legal actions arising from the reported case before the five years period, the relevant information shall be kept until that litigation or legal action is finished.
5. Pursuant to the investigation, if the reported case is verified to be true, this Company shall procure relevant departments to review the internal control system and procedures, as well as develop improvement measures to avoid similar cases

happen in the future.

6. The responsible unit shall report to the chairman the facts, the solutions and the improvements of the reported cases.

Upon discovering or receiving a complaint about any personnel's involvement in unethical conduct, this Company and Subsidiaries shall ascertain the relevant facts without delay; if it is verified that there is indeed a violation of applicable laws and regulations or this Company's policy and procedures of ethical management, this Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Company will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.

With respect to the unethical conduct that has occurred, this Company and Subsidiaries shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent a recurrence of the same unethical conduct. The responsible unit of this Company shall submit to the board of directors a report on the unethical conduct, actions taken, and subsequent reviews and corrective measures.

Article 22 (Actions upon event of unethical conduct by others towards this Company)

If any personnel of this Company discover that another party has engaged in unethical conduct towards this Company, and such unethical conduct involves alleged illegality, this Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved; this Company shall additionally notify the governmental anti-corruption agency.

Article 23 (Internal advocacy and the establishment of a system for rewards, penalties, and complaints, and related disciplinary measures)

It is advisable the responsible unit arrange to annual internal advocacy at least once a year, and ask the chairperson, general manager, or senior management of this Company to communicate the importance of corporate ethics to its directors, employees, and mandatories.

This Company and Subsidiaries shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of this Company and Subsidiaries seriously violate ethical conduct,

this Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Company.

This Company and Subsidiaries shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 24 (Enforcement)

These Procedures and Guidelines, and any amendments hereto, shall be delivered to Corporate Governance and Sustainable Development Committee for resolutions and implemented after adoption by resolution of the board of directors, and then reported to the shareholders meeting.

When this Procedures and Guidelines are submitted for discussion by the board of directors, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.