

Inventec Ethical Management Operational Procedures and Guidelines

(This English version is a translation based on the original Chinese version. Where any discrepancy arises between the two versions, the Chinese version shall prevail.)

- **Purpose**

The Company engages in business activities based on the principles of fairness, honesty, trustworthiness, transparency, as well as anti-corruption and anti-bribery. To implement the policy of ethical operation and actively prevent unethical behaviors, the Company has established "Inventec Ethical Management Operational Procedures and Guidelines" in accordance with "Inventec Ethical Corporate Management Best Practice Principles" and relevant laws and regulations in the locations where the Company and organizations operate. These guidelines specify the matters that our company personnel should pay attention to when conducting business activities.

- **Responsible Unit**

- 1. HR Responsible Unit**

HR Unit needs to handle the following matters once a year based on Article 17 of the "Inventec Ethical Corporate Management Best Practice Principles":

- (1) Assist in incorporating ethics and moral values into the Company's business strategy and adopt appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
- (2) Analyze and assess the risks of unethical conduct within the business scope on a regular basis and accordingly adopt programs to prevent unethical conduct and set out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
- (3) Plan internal organization, structure, and responsibilities, and establish mutual supervision mechanisms for business activities within the scope of operations with higher risks of dishonest conduct.
- (4) Promotion and coordination of ethical policy trainings.
- (5) Develop a whistle-blowing system and ensure its operating effectiveness.
- (6) Assist 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 prepare reports on the regular assessment of compliance with ethical management in operating procedures.

- 2. Finance Responsible Unit**

- (1) For the higher risk of unethical conduct, such as political contributions, charitable

donations and recusal, the matter shall be handled in compliance with Inventec Ethical Management Operational Procedures and Guidelines,

- (2) Assist the board of directors to implement ethical operation in compliance with “Inventec Codes of Ethical Conduct”, “Inventec Corporate Governance Best Practice Principles”, and “Inventec Rules and Procedures of Board Meetings”.

3. Audit Responsible Unit

Regular audits of the compliance with the ethical management mechanisms shall be conducted, and audit reports shall be submitted to the board of directors. Certified accountants may be appointed to conduct the audit, and professional assistance shall be sought when necessary.

4. Law Responsible Unit

- (1) Implement operational procedures for the management of trademarks, patents, and copyrights in accordance with the "Trademark and Copyright Management Regulations" and the "Patent Management Regulations.
- (2) Assist in conducting investigations and provide consultations related to applicable laws and regulations concerning unethical conduct.

5. Responsible Unit of Supply Chain Business Unit, Purchasing Department and Sales Department

- (1) Enact and enforce recusal regulations.
- (2) Enact and enforce Article 4.6.12 to 4.6.15 prior to development of commercial relationships.

6. Other Implementation Responsible Units

Adhere to the requirements of ethical management and internal control system regulations while conducting business operations and accept guidance and assistance from the ethical management support personnel as well as audits from auditing units.

● Risk Prevention Control Points

No.	Risk Prevention Control Points	Objective (O,R,C)	Risk Assessment	Risk Prevention Control Operations	
				Description	Procedure/ Reference/ Form
1	Establishment of Ethical Corporate Management Operational Procedures and Guidelines	C	High	Comply with Inventec Ethical Corporate Management Best Practice Principles.	Ethical Corporate Management Operational Procedures and Guidelines

No.	Risk Prevention Control Points	Objective (O,R,C)	Risk Assessment	Risk Prevention Control Operations	
				Description	Procedure/ Reference/ Form
2	Division of responsibilities for ethical corporate management	C	High	Implement division of responsibilities for ethical corporate management.	Article_ Responsible Unit in Ethical Corporate Management Operational Procedures and Guidelines
3	Promotion of ethical management operational policy	C	High	All employed personnel shall gain a comprehensive knowledge of the ethical management.	Records of promoting and coordinating awareness and educational activities with respect to ethical management operational policy.
4	Implementation of ethical management operation	O,R,C	High	All employed personnel shall comply with Article_Job Description	Implementation records of each responsible unit
5	Consultation of ethical management operation	R,C	High	Implementation of ethical management operation	Ethical Management Self-assessment Form

O : Operation Objectives

R : Reporting Objectives

C : Compliance Objectives

● **Guideline Description**

1. 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 as specified in Article 4.3.3, the conduct of the given personnel of this The Company shall comply with the provisions of "Inventec Ethical Management Best Practice Principles" and "Inventec Ethical Corporate Management Operational Procedures and Guidelines", and the relevant procedures shall be 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 invite others 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 period for the event or visit have been specified in advance.

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

2. Procedure of recusal

When the Company's personnel are offered or promised benefits as defined in section 4.3.3 directly or indirectly by others, except for circumstances specified in the preceding clauses, the following procedures shall be followed:

- (1) If there is no relationship of interest between the party providing or offering the benefit and the official duties of the 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 the 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 the 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 by the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.
- (3) The responsible unit of the Company shall make a proposal, based on the nature and value of the benefits mentioned above, that returns, accepts on payment, gives to the public, donates to charity, or handles in another appropriate manner. The proposal shall be implemented after being reported to and approved by Chairman.

3. Prohibition of and handling procedure for facilitating payments

- (1) The Company shall neither provide nor promise any facilitating payment.
- (2) If any personnel of the 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.

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

4. Procedures for handling political contributions

Political contributions by the Company shall be made in accordance with the following provisions.

- (1) It shall be ascertained that the political contribution follows the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
- (2) A written record of the decision-making process shall be kept.
- (3) Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
- (4) In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

5. Procedures for handling charitable donations or sponsorships

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions.

- (1) It shall be ascertained that the donation or sponsorship follows the laws and regulations of the country where the 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 charitable institution and may not be a disguised form of bribery.
- (4) The returns received because of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the 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.

6. Recusal

- (1) When a director, supervisor, officer or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a

matter under discussion in the meeting , that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, 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.

- (2) If in the course of conducting company business, any personnel of the Company discover that a potential conflict of interest exists and involves 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.
- (3) No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

7. Unit in charge of confidentiality regime and its responsibilities

- (1) In accordance with “the Global Employee Standards of Conduct “, the Company’s confidential information (including trade secrets) shall be managed by the units holding the confidential information (including trade secrets).
- (2) All personnel of the Company shall faithfully follow the operational directions as mentioned in the preceding paragraph.

8. Prohibition against unfair competition

The Company shall follow the laws and regulations of the country where the Company is doing business, 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.

9. Prevention of damage caused by products and services to stakeholders

- (1) The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services during their research and development, procurement, manufacture, provision, or sale of

products and services.

- (2) The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.
- (3) The responsible unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

10. Prohibition against insider trading and non-disclosure agreement

- (1) All personnel of the Company 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 undisclosed information to any other party, to prevent other party from using such information to engage in insider trading.
- (2) Any organization or person outside of the Company 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 the Company 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 the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

11. Announcement of policy of ethical management

The Company shall disclose its policy of ethical management in its internal rules, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties, to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

12. Ethical management evaluation prior to development of commercial relationships

- (1) Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.
- (2) When the Company 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, 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 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 involvement in unethical conduct such as bribery or illegal political contributions.

13. Statement of ethical management policy to counterparties in commercial dealings

Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the 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.

14. Avoidance of commercial dealings with unethical operators

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. 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 to effectively implement the Company's ethical management policy.

15. Stipulation of terms of ethical management in contracts

Before entering a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company 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 acceptance of 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 resultant damage to either party, the party may claim from the other part the contract price as damages 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.

16. Handling of unethical conduct by personnel of the Company

- (1) The Company encourages internal and external personnel to report dishonest or improper behavior. Depending on the severity of the reported incidents, rewards will be given accordingly. If internal personnel make false reports or malicious accusations, disciplinary action will be taken. In cases of serious misconduct, termination of employment may occur.

<1> The Company shall comply with "Guidelines for Employee Grievance and External Reporting Management" and internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of the Company to submit reports. A whistleblower shall at least furnish the following information:

<2> The whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.

<3> The alleged party's name or other information sufficient to distinguish its identifying features.

<4> Specific facts available for investigation.

- (2) Personnel of the Company handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

17. Actions upon event of unethical conduct by others towards the Company

If any personnel of the Company discovers that another party has engaged in unethical

conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

18. Internal awareness sessions and establishment of a system for rewards, complaints, and related disciplinary measures

- (1) The responsible unit of the Company shall organize awareness sessions to communicate the importance of ethical management.
- (2) If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with "Inventec Personnel Management Procedure". The Company shall disclose on its intranet the information about the name and title of the violator, the date and details of the violation, and the actions taken in response.

19. Consult and implement ethical management

The Company, its subsidiaries, or regional human resources management units can use the "Ethical Management Self-assessment Form" to provide guidance and assistance to relevant responsible units within each region to facilitate the implementation of ethical management.