
Ethical Conduct Guidelines for Directors of the Board and Managerial Officers Walsin Lihwa Corporation

Article 1 Purpose of and basis for adoption

The Guidelines are adopted to encourage the directors of the board and managerial officers of Walsin Lihwa (hereafter referred to as the Company) to act in line with ethical standards to help strengthen corporate governance.

Article 2 Scope of application

The Guidelines apply to the entire board of directors and managerial officers of the Company

Article 3 Prevention of conflicts of interest

The directors of the board and managerial officers of the Company shall faithfully perform their duties and shall put the overall interest of the Company before theirs in case of any conflict of interest between the Company and themselves. They shall not take advantage of their positions in the Company to obtain improper benefits for either themselves or their spouse or relatives within the second degree of kinship. When loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involve any affiliated business to which the directors and/or managerial officers belong, they shall voluntarily explain to the Audit Committee or internal auditor whether there is any potential conflict between them and the Company.

Article 4 Minimizing incentives to pursue personal gain

When the Company has an opportunity for profit, it is the responsibility of its directors of the board and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

The Company shall prevent its directors of the board and managerial officers from engaging in any of the following activities:

1. Obtaining personal gain by using company property or information or taking advantage of their positions
2. Competing with the Company

Article 5 Confidentiality

The directors of the board and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed

information that, if exploited by a competitor or disclosed, could result in damage to the Company or its suppliers and customers.

Article 6 Fair trade

The directors of the board and managerial officers of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 7 Safeguarding and proper use of company assets

The directors of the board and managerial officers of the Company have the responsibility to safeguard company assets and to ensure the assets can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

Article 8 Legal compliance

The directors of the board and managerial officers of the Company shall comply with the Securities and Exchange Act and other applicable laws, regulations, and company bylaws related to insider trading prevention.

Article 9 Proactive reporting on illegal or unethical activities

Upon suspicion or discovery of any violation of laws, regulations, or the Ethical Conduct Guidelines, the directors of the board, managerial officers, or employees of the Company shall voluntarily report it to the Audit Committee or the internal auditor and shall also provide concrete evidence for the Company to appropriately follow up with investigation. Such reports can be provided anonymously and the Company shall keep any case reported confidential and do its best to ensure the safety of informants and protect them from reprisals.

Article 10 Disciplinary measures and remedies

The Audit Committee shall ask the directors of the board or managerial officers who violate the Guidelines to explain, and take appropriate actions. Such violation shall be immediately disclosed on the Market Observation Post System (MOPS) the date of the violation, reasons for the violation, the provisions of the Guideline violated, and the disciplinary actions taken.

The directors of the board or managerial officers who violate the Guidelines but find the Audit Committee's resolution concerning their violation unacceptable may further file complaints with the Audit Committee to seek remedies.

Article 11 Procedures for exemption

Exemption from compliance with the Guidelines must require a resolution of the board of directors, and the information on the date of the board of directors' resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption shall be immediately disclosed on the MOPS.

Article 12 Method of disclosure

The Company shall disclose the Ethical Conduct Guidelines it has adopted and any amendment to the Guidelines on its official website, in its annual reports and prospectuses, and on the MOPS.

Article 13 Enforcement

The enactment of and amendment to the Guidelines shall be approved by the board of directors and submitted to the shareholders' meeting.

The Guidelines became effective on October 29, 2016 and were amended respectively on April 1, 2015, January 19, 2018, and August 4, 2020. The three amendments became effective after approval by the board of directors.
