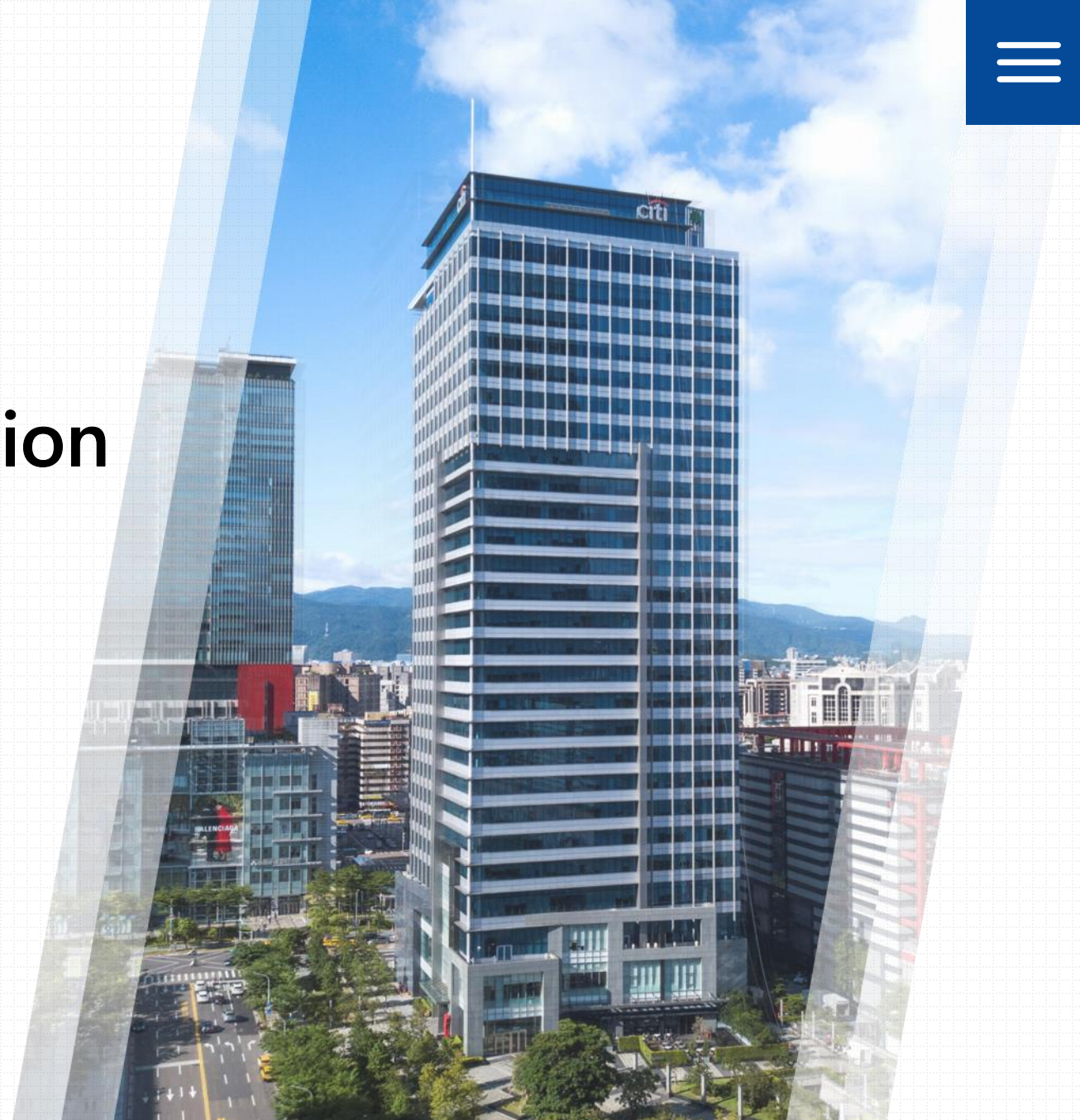


Status of Business Integrity Promotion in 2022

CONFIDENTIAL

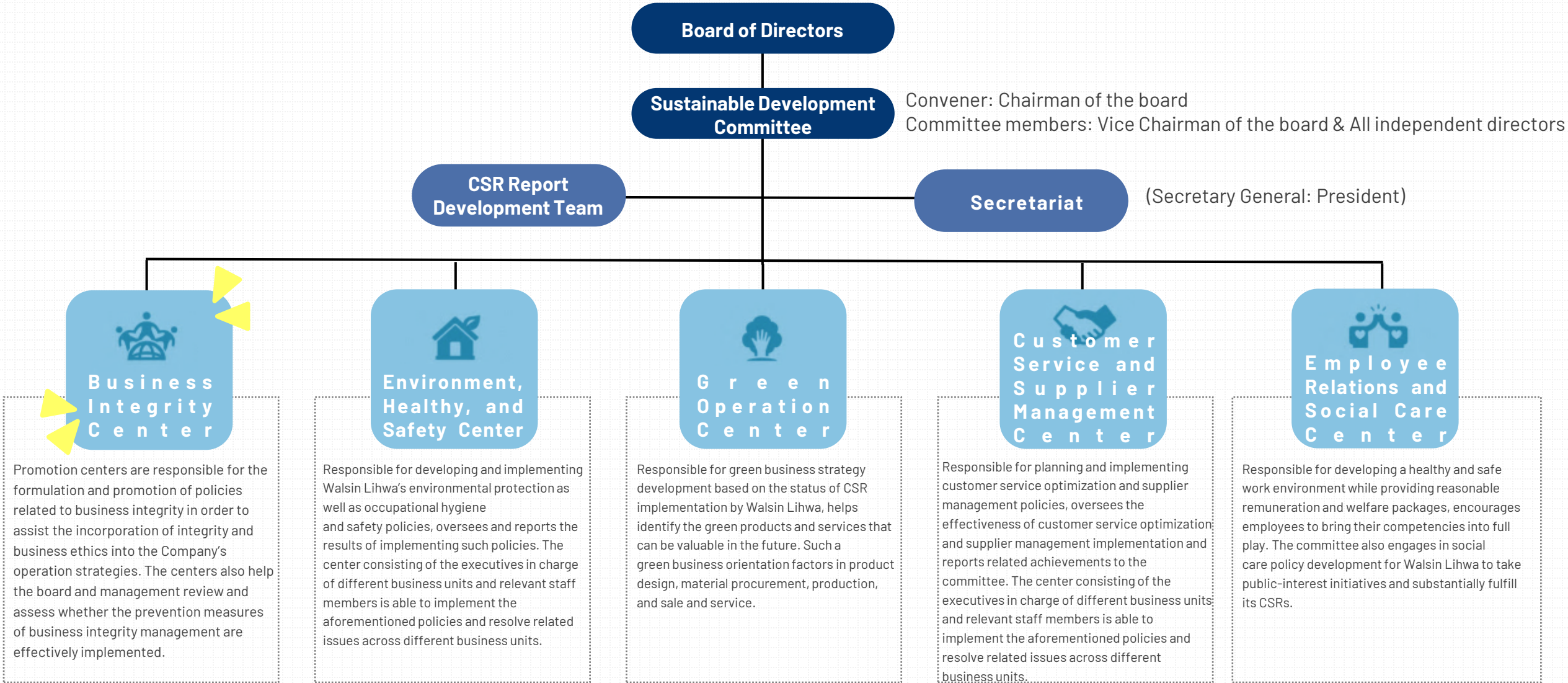


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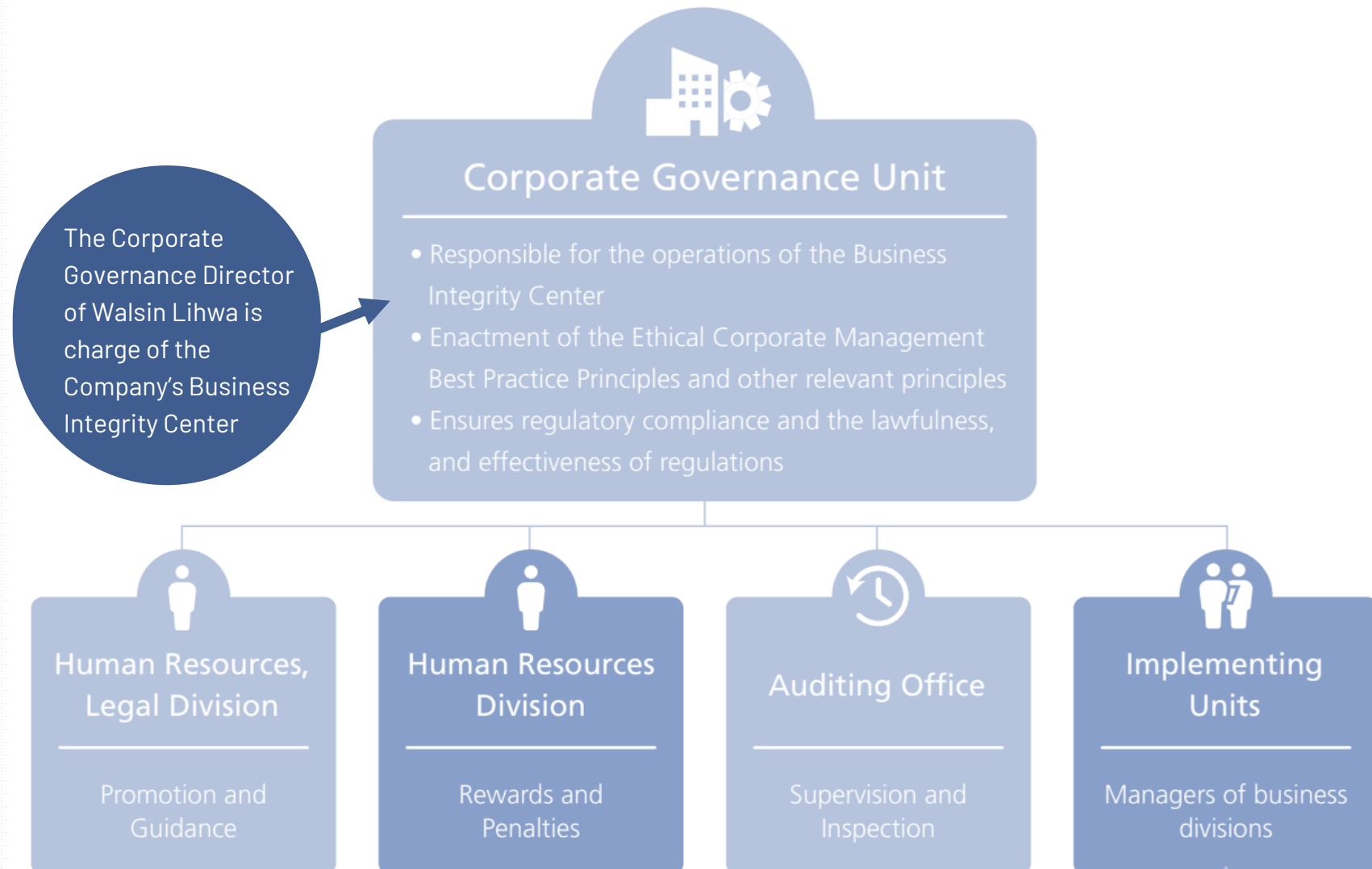
Overview of Business Integrity Center

2022.10.14

Organizational structure of the Sustainable Development Committee



Members and Status of the Business Integrity Center



02

Operating Status of the Business Integrity Center in 2022

2022.10.14

Foci of Implementation in 2022



Follow-Ups on a Regular Basis to Strengthen Management

Quarterly meetings and reporting to the senior management

The Business Integrity Center convened quarterly to track the status of implementation, discuss its annual plan, and report the meeting proceedings to the Sustainable Development Committee and Board of Directors.



Enhancement of Education and Training

Concurrent Internal and External Promotion

Ongoing education and training to strengthen ethical management with diversified courses as well as diversified accesses to such course provided to the directors, senior managerial officers, and employees of Walsin Lihwa and suppliers at supplier conventions.



Optimization of System Implementation

Intellectual Property Right Management and Confidentiality Mechanism

Ongoing optimization of intellectual property right management and confidentiality mechanism to have the management and mechanism implemented at the plants in Mainland China step by step, take inventory of intellectual property assets, stay on top of their confidentiality status, and have relevant regulations and rules amended.

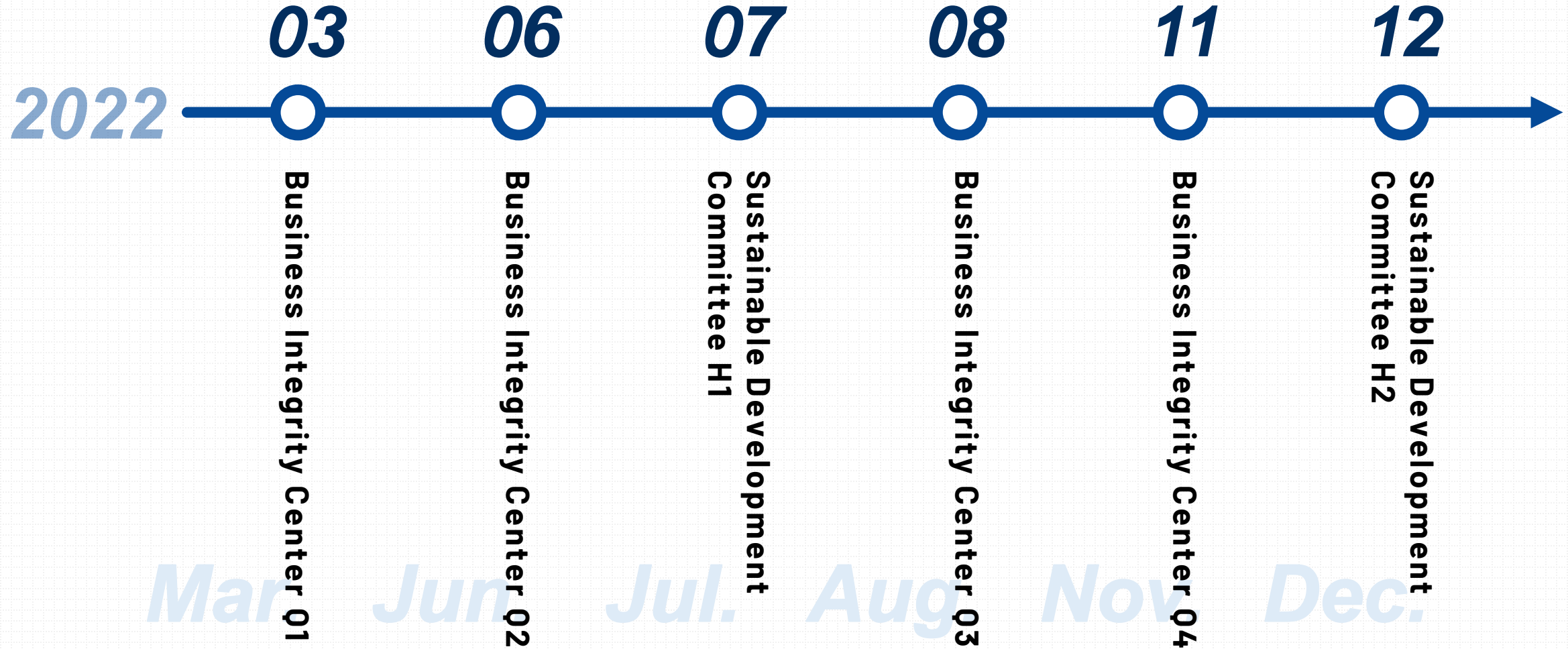


Risk Monitoring and Control

Unethical Conduct Risk Assessment and Second-Degree Relative Databank Development

Expansion of the scope of unethical conduct risk assessment with the assessment completed at the Jiangyin plant in of 2022 and development of a second-degree relative databank for effective avoidance of conflicts of interest.

Follow-Ups on a Regular Basis to Strengthen Management



Enhancement of Education and Training

External Promotion - Supplier Partner Exchange Meeting

Site	Date	Status of Attendance
Yenshui Plant	2022/10/27	39 companies
Shanghai Walsin / Dongguan Walsin	2022/11/01	26 companies
Yantai Walsin	2022/11/17	49 companies
Hsinchuang Plant / Yangmei Plant	2022/11/24	33 companies

Internal Promotion- Online/Offline Course

Required Attendees	Subject	Number of Attendees in 2022
All employees	Intellectual Property Rights	909
All employees	Trade Secret	862
All employees	TIPS	961
All employees	Ethical management	1007
Directors of the board and managerial officers	Prevention of Insider Trading and Short-Term Trading	20
Directors of the board and managerial officers	Commitment to Ethical Management and Business Integrity	20

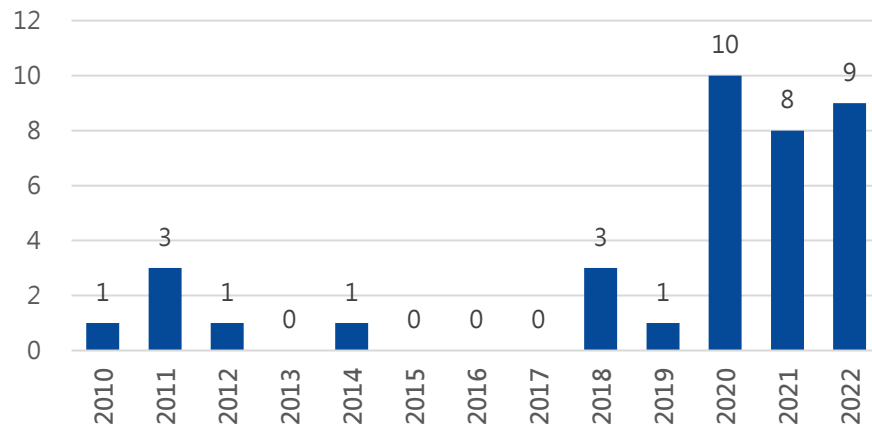
■ 5 more course subjects in 2022 as compared to those in 2021

■ An increase of more than 10% in the attendees to the courses on the same subjects in 2022 as compared to that in 2021

Optimization of System Implementation

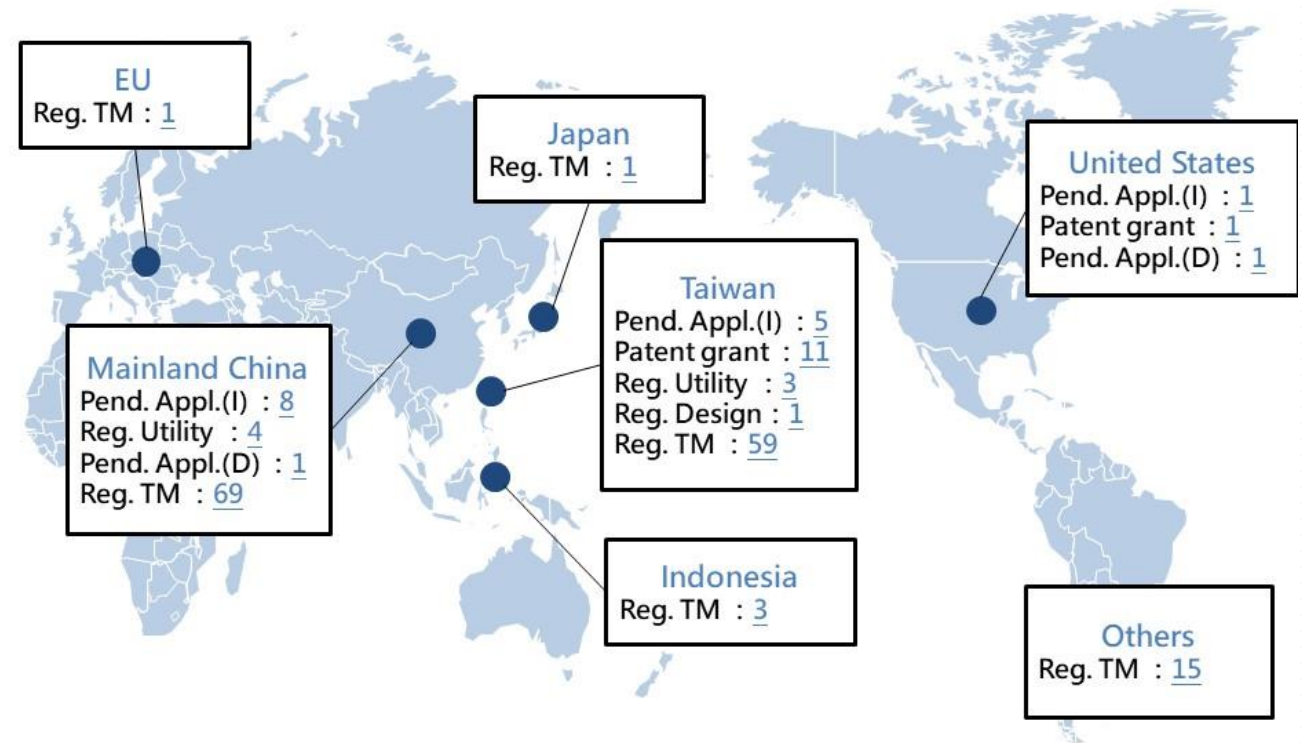
Increased Willingness for Patent Application

Implementation of the Taiwan Intellectual Property Management System (TIPS) in 2020 to have patent management measures developed and specify patent bonuses to strengthen the willingness for patent application while continuing amending and optimizing relevant specifications. The numbers of patents applied for and obtained over the years follows:



■ TIPS verification in 2021 valid through December 31, 2023

Achievements in Intellectual Property Acquisitions



Risk Monitoring and Control

Second-Degree Relative Databank Development

Effective avoidance of conflicts of interest related to second-degree relatives through systematic management



Unethical Conduct Risk Assessment and Management

NO	Types of Unethical Conduct
1	Acceptance and offering of bribes
2	Illegal political donations
3	Improper charitable donations or sponsorship
4	Offering or acceptance of unreasonable presents or hospitality, or other improper benefits
5	Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights
6	Engaging in unfair competitive practices
7	Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services

- Step-by-step workflow improvement through unethical conduct risk assessment for nearly 3 years

Year	Scope of Review
2022	Jiangyin Walsin
2021	Changshu Walsin and Shanghai Walsin
2020	Taiwan Plants

- Establishment of today's Procurement Management Center by first dividing procurement into daily procurement and strategic procurement
- Implementation of analyses of commissions, hospitality fees, as well as sales returns and allowances including their percentages in 2022 in addition to self-assessment of unethical conduct risks as a routine practice

THANK YOU