

Tong Ming Enterprise Co., Ltd.

Corporate Social Responsibility Best Practice Principles

Chapter I General Principles

Article 1 To fulfill the company's corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, therefore, this Code of Practice is jointly formulated and to be followed. Formulate the company's own sustainable development code with reference to this Code to manage its economic, environmental and social risks and impacts.

Article 2 The scope of this code includes the overall operation activities of the company and relevant group enterprises. While engaging in business operation, the company shall actively practice sustainable development to meet the international development trend, and through the responsibility of corporate citizens, enhance its contribution to the national economy, improve the quality of life of employees, communities and society, so as to promote the competitive advantage based on sustainable development.

Article 3 The sustainable development performed by the company shall be based on respecting social ethics and paying attention to the rights and interests of other stakeholders. While pursuing sustainable business and profit, the company shall also pay attention to the factors such as environment, society and corporate governance, and incorporate them into the company's management policies and operating activities. The company shall, in accordance with the principle of materiality, carry out risk assessment on issues of environment, society and corporate governance that are related to the company's operation, and formulate relevant risk management policies or strategies.

Article 4 To implement corporate social responsibility initiatives, the Sustainable Development Best Practice Principles for Corporation below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate social responsibility information.

Article 5 The Company shall take into consideration the correlation between the development of domestic and international sustainable development and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving sustainable development, the Company's board of directors is advised to

review and consider including it in the shareholders meeting agenda.

Chapter 2 Exercising Corporate Governance

Article 6 The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The board of directors of the company shall fulfill the duty of care of good administrators to urge the company to perform the sustainable development, and review its implementation effectiveness from time to time and improve continuously to ensure the implementation of sustainable development policy. The board of directors of the company shall consider the following matters when they perform sustainable development in the company:

1. Put forward the mission or vision of sustainable development and formulate sustainable development policy, system or relevant management guideline.
2. Incorporate sustainable development into the company's operating activities and development direction, and approve the concrete promotion plan of sustainable development.
3. Ensure the timeliness and correctness of the disclosure of relevant information of sustainable development.

The board of directors shall authorize senior management to deal with the economic, environmental and social issues arising from operating activities of the company, and the handling situation shall be reported to the board of directors. The operation process and each relevant responsible personnel shall be specified.

Article 8 The Company is advised to, on a regular basis, organize education and training on the implementation of sustainable development, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 In order to improve the management of sustainable development, the Company is advised to establish an exclusively (or concurrently) dedicated unit to promote sustainable development, which is responsible for the proposal and implementation of sustainable development policy, system or relevant management guideline and concrete promotion plan, and report to the board of directors regularly. The company should formulate a reasonable remuneration policy to ensure that the remuneration planning can meet the strategic aim of the organization and the interests of stakeholders. The employee performance evaluation system should be combined with the sustainable development policy, and a clear and effective incentive and discipline system should be established.

Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the

reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues that they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The company should endeavor to utilize all resources more efficiently and use renewable materials, which have a low impact on the environment, so as to make the earth's resources sustainable.

Article 13 The Company is advised to establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14 The Company is advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15 The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

1. Reduce resource and energy consumption of their products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures.
The Company shall construct and improve environmental protection

treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17 The Company should assess the potential risks of climate change to the corporate now and in the future, and take relevant countermeasures.

The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: the greenhouse gas emission sources are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions generated by the energy utilization such as input electricity, heat or steam.

The Company should make statistics on greenhouse gas emissions, water consumption and the total weight of waste, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water reduction or other waste management, and incorporate the acquisition of carbon credits into the company's carbon reduction strategy planning, so as to promote and reduce the impact of the company's business operations on climate change.

3. Other indirect emissions: the emissions generated by the company's activities belong to indirect energy emissions, which come from emission sources owned or controlled by other companies.

Chapter 4 Preserving Public Welfare

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the Company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities. The Company shall provide an effective and appropriate grievance mechanism with

respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19 The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 20 The Company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. The Company is advised to organize training on safety and health for their employees on a regular basis.

Article 21 The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.

The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other benefits, etc.) and appropriately reflect the corporate business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions. The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives. The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 23 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services. It further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 24 The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.

The Company shall follow relevant laws, regulations and international guidelines for customer health and safety, customer privacy, marketing and

labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 25 The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26 The Company shall assess the impact of its procurement on society as well as the environment of the community that it is procuring from, and shall cooperate with their suppliers to jointly implement sustainable development. The Company should formulate supplier management policy and require suppliers to follow relevant norms on issues of environmental protection, occupational safety and hygiene or labor human rights, etc. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the Company enters into a contract with any of its major suppliers, the content should include terms stipulating mutual compliance with the sustainable development policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 27 The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information

Article 28 The Company shall disclose information according to relevant laws, regulations and the company's Governance Code of Practice, and shall fully disclose relevant and reliable information relating to sustainable development, so as to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

- 1.The governance mechanism, strategies, policies and management guidelines for sustainable development adopted by the board of directors.
- 2.The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
- 3.The promotion goals, measures and implementation performance formulated by the company for sustainable development.
- 4.Major stakeholders and their concerns.
- 5.Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
- 6.Other information relating to sustainable development.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing sustainable development reports, to disclose the status of promoting sustainable development. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information. The reports are advised to include:

- 1.The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development.
- 2.Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals

Chapter 6 Supplementary Provisions

Article 30

The Company shall always pay attention to the development of relevant standards for sustainable development in Taiwan and abroad and the changes of the corporate environment, so as to review and improve the sustainable development system established by the company and enhance the effectiveness of promoting sustainable development.

Chapter 7 Implementation

The establishment and amendment of these Regulations shall be discussed by the Audit Committee and submitted to the Board of Directors for approval before being submitted to the shareholders' meeting for resolution.

The date set for this procedure is December 30, 2014 by resolution of the Board of Directors' meeting.

The date set for this procedure is June 15, 2015 by resolution of the shareholders' meeting.

The date set for this procedure is June 14, 2022 by resolution of the shareholders' meeting