

Article 1 Purpose of adoption and scope of application

These Ethical Corporate Management Best Practice Principles (“Principles”) are enacted for the purpose of establishing a corporate culture with ethical management, healthy development, and implementing a reference framework of good commercial operations.

The scope of these Principles are applicable this Company’s subsidiaries, affiliates, and other organizations or entities that have substantive control over this Company (hereinafter “Groups”)

Article 2 Applicable Subjects

The “Company Personnel” in these Principles refers to this Company and its Groups’ directors, managers, employees and people who have substantive control over this Company.

Any provision, promise, request, or acceptance of money, gifts, commissions, positions, services, preferential treatment, rebates, facilitating payment, hospitality, entertainment and other improper benefits, to the Company Personnel, in any forms or names by the third party, will be presumed as an act by the Company Personnel.

Article 3 Unethical Conduct

“Unethical Conduct” in these Principles refers to those engaged by the Company Personnel during the course of business to acquire or maintain benefits, including either

the direct or indirect provision, acceptance, promises, or requests of any improper benefits, or unethical, illegal behaviors, or breach of fiduciary duty.

The objects referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, public or privately owned businesses or institutions, and their directors, supervisors, managers, employees, substantial controllers, or other stakeholders.

Article 4 Types of benefits

“Benefits” in these Principles means money, gratuity, gifts, commissions, positions, services, preferential treatment, rebates, facilitating payment, hospitality, entertainment, or any other items of values in whatever forms or names.

Article 5 Responsible unit

The Human Resources Department of this Company will take charge of the modification of these Principles, with regularly reporting to Corporate Sustainability Management Committee.

This Company designate the Corporate Sustainability Management Committee as the solely responsible unit (hereinafter “Responsible Unit”), with allocating sufficient resources and adequate personnel to conduct the revision, performance, interpretation, archives for advisory services and the content of reports, and overseeing the implementation. The Responsible Unit shall be in charge of the following matters, and also submit regular reports to the board of directors (at least one time a year).

- (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 comply with the requirements of laws and regulations.
- (2) Regularly analyzing and evaluating the risks of unethical conduct within the scope of business, and formulating programme accordingly for the prevention on unethical conduct, standardized operating procedure and guideline relevant to the course of business based upon the scope of each programme.
- (3)Planning the internal organization, structure, allocation of responsibilities, and setting up check-and-balance mechanisms and mutual-supervision for the business activities subject to a higher risk of unethical conduct.
- (4)Dissemination and coordination of the training of ethical policy.
- (5)Developing a system for reporting to ensure the effectiveness of implementation.
- (6)Assisting the board of directors and management in auditing and assessing whether the prevention measures for the ethical management are operating effectively, with regularly assessing the relevant operating procedures for business and preparing reports therefrom.
- (7)Producing and properly maintaining relevant documented information in relation to the ethical management policy, compliance statement, implementation commitment and the status for implementation.

Article 6 Prohibition against providing or accepting improper benefits

The Company shall comply with the Ethical Corporate Management Best Practice

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Ethical Corporate Management Best Practice Principles

Principles for TWSE/GTSM-Listed Companies, these Principles, and related procedures before providing, accepting, promising, and requesting, directly or indirectly any benefits specified in Article 4 of these Principle; and this Company's ethical management procedures in RBA and Code of Conducts for staff shall still be followed, provided that the following matters occur:

- (1) Comply with the laws and regulations in the country where the Company is located.
- (2) Domestic (or foreign) visits, reception of guests, commercial promotion, and communicate and coordinate that are conducted for commercial needs, in accordance with local courtesy, practices or customs.
- (3) Attend or invite others to the normal social activities held by others, based on normal social customs, commercial purposes or facilitating relationship.
- (4) Invitations to customers, attendance at commercial activities or factory visits based upon commercial needs, provided that the method of payment, number of participants, class of accommodations and the period for the event or visit have been specified in advance.
- (5) Attendance at folk festivals that are held by and open to the general public.
- (6) Rewards, emergency assistance, condolence payment, or honorariums from the management.
- (7) Cash is not accepted; and for gifts or property given by another party to the Company Personnel, its total market value shall be NT\$1,000 or less.
- (8) Other conducts that comply with the rules of the Company.

Article 7 Procedures for handling the acceptance of improper benefits

Except for the circumstances specified in the preceding Article, “Acceptance of Hospitality (Gift) / Personal Benefits Declaration Form” shall be filled by the Company Personal after he/she receives the benefits specified in Article 4 of these Principles, in relation to the direct or indirect provision or promises given by another party, and it shall be submitted to the competent supervisor for approval and authorization of appropriate procedure for handling.

Article 8 Prohibition of facilitating payment and handling procedures

This Company shall neither provide nor promise any facilitating payments. If any Company Personnel provides or promises any facilitating payments under threat or intimidation, he/she shall record, inform to their direct supervisor, and notify the Responsible Unit.

Responsible Unit shall take immediate action after the aforementioned notification and review relevant facts to reduce the risk of reoccurrence.

In the event that any alleged illegality is discovered, the notification to judicial organs shall be made immediately.

Article 9 Procedures for handling political contributions

Political contributions by this Company shall be made only after being reported to and approved by the board of directors:

- (1) Confirm the political contributions is compliance with the laws and regulations governing political contribution in the country where the recipient is located, including the maximum amount and the form in which the contributions may be

made.

- (2) A written record of the decision-making process shall be made.
- (3) Account entries shall be made for all political contributions in accordance with applicable laws and regulation, and relevant procedure for accounting treatment.
- (4) Commercial dealings, application for permits, or carrying out other matters associated with the Company's interest with the related government agencies shall be avoided, during the process of making political contributions.

Article 10 Procedures for handling charitable donations or sponsorships

This Company provide charitable donations or sponsorships in accordance with the following items:

- (1) Comply with the laws and regulations of the country where the Company is operated.
- (2) Keep the written record of the decision-making process.
- (3) The purpose of the charitable donations shall be for public welfare but not for those regarded as the equivalent of bribery.
- (4) The rewards for the sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company in commercial dealings or a stakeholder with Company Personnel.
- (5) After the charitable donation or sponsorship, the destination to which the money flows shall be consistent with the purpose of the donation.

Article 11 Recusal

This Company directors shall uphold high self-discipline, and with respect to the proposal connected with the interests of itself, the juristic person it represents, which may impair the interest of the Company, the directors can present its opinions and comments, and shall recuse itself from any discussion and voting including exercising voting rights as a proxy on behalf of another director. The directors shall exercise discipline among themselves, and shall not support each other in an inappropriate manner.

In the event that any Company Personnel has discovered a potential conflict of interests connected with itself, or existing between itself and the juristic person it represent, or in the circumstances which may let itself, its spouse, parents, children or a stakeholder with itself gain improper benefit, directors shall notify to its direct supervisor and Responsible Unit, and the proper instruction shall be made by its direct supervisor. Neither shall any Company Personnel make use of the Company resources to conduct anything out of the scope of the Company's commercial activities, nor shall any Personnel's job performance be affected by its involvement in the commercial activities other than those of this Company.

Article 12 Special unit in charge of confidential regime and its responsibilities

This Company shall set up a special unit in charge of the formulation and implementation for managing, preserving, and maintaining confidentiality of this Company's trade secrets, with conducting periodical reviews on the results of implementation, to ensure the continuance of the confidentiality procedures' effectiveness.

Company Personnel shall follow the operational directions pertaining Company's trade secrets. Except otherwise provided by the aforementioned directions, Company Personnel shall neither disclose the Company's trade secrets they acquired to others, nor inquire or collect Company's trade secrets irrelevant to their duties.

Article 13 Prohibition against unfair competitive activities

This Company shall engage in business activities in accordance with Fair Trade Act, and applicable competition laws and regulations, which shall neither fix prices, make rigged bids, establish output restrictions or quotas, nor share or divide markets by allocating customers, suppliers, territories, or types of commerce.

Article 14 Prohibition against insider trading and disclosure of confidential information

All Company personnel shall adhere to the provisions of the Securities and Exchange Act, and shall 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, in order to prevent other party from using such information to engage in insider trading.

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 nondisclosure agreement in which they undertake not to disclose to any other party any trade secrets or other material

information of the Company they acquired therefrom, and the usage of the said information is prohibited without the prior consent of the Company.

Article 15 Prohibition against infringing of intellectual property rights

The Company Personnel shall comply with the relevant laws and regulations, Company's internal operating procedures, and contractual provisions, in relation to intellectual property. Without the prior consent of the intellectual property rights holder, the Company Personnel shall neither use, disclose, dispose, damage, nor infringe the intellectual property rights by any other conduct.

Article 16 Prevention of damages to stakeholders brought by products or services

The Company shall collect, understand and observe the applicable laws and regulations, and international standards where its products and services shall be governed by, and shall gather and publish the matters that need to be brought to the attention, to ensure the transparency and safety of the products and services' information, during the course of the Personnel's research, procurement, manufacture, provision, or sale of products and services.

The Company shall adopt and publish on its website a policy regarding the protection of the rights and interests of consumers or other stakeholders, to prevent its products and services from undermining their rights, interests, health and safety, directly or indirectly. Where there are media reports, or sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall investigate and verify the facts, with

proposing a review and improvement plan.

Article 17 Compliance and announcement of policy of ethical management

The Company shall disclose its ethical management policy 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 its external activities, in order to make its suppliers, customers, or other business-related institutions and personnel fully aware of the concepts and rules with respect to its ethical management.

Article 18 Ethical management evaluation prior to development of commercial Relationships

Before developing a commercial relationship with another party, such as agent, supplier, customer or other trading counterparties shall be made, 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 operates business in a fair and transparent manner and will not request, offer or take bribes.

In the case that the Company carries out the evaluation under the preceding paragraph, it shall adopt appropriate audit procedures for reviewing its trading counterparties regarding the following items, in order to gain a comprehensive knowledge of its ethical management:

- (1) The enterprise's nationality, location of business operations, organizational structure, 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 the 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 conditions and the business reputation.
- (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.

Article 19 Statement of ethical management policy to trading counterparties

Company Personnel shall state the Company's ethical management policy and related rules to its trading counterparties, and shall explicitly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever forms or names.

Article 20 Avoidance of commercial dealings with unethical operations

Company Personnel shall avoid business transactions with an agent, supplier, customer, or another counterparty in commercial interactions that is involved in unethical management. In the event that the counterparty or cooperated party is found to have engaged in unethical conduct, the Company Personnel shall immediately cease commercial interactions with the aforementioned violators and add it to the blacklist for any further business interactions, in order to effectively implement the ethical

management policy in this Company.

Article 21 Stipulation of terms of ethical management in contracts:

Before entering into a contract with another party, this Company shall fully understand another party's status of ethical management, and the provisions regarding ethical management shall be stipulated in the terms and conditions of the contracts, with specifying the following items in the contracts:

- (1) Any 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 damages resulting therefrom to the other party ("Injured Party"), the Injured Party can claim damages from the defaulting party, and the full amount of damages can be deducted from the contract price payable.
- (2) Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party can terminate or rescind the contract unconditionally at any time.
- (3) Stipulate specific and reasonable payment terms, including the place and the method of payment, and the requirement for compliance with relevant tax laws and regulations.

Article 22 Handling of unethical conducts by Company Personnel

The following channels are adopted in accordance with this Company rules for reports, in the event that any Company Personnel may have involvement in contravention of laws or contravention of these Principles:

- (1) Window for whistleblower: Supervisors of Department of Administrative Management.
- (2) Suggestion boxes: whistleblower shall specify his/her name, department, and extension number. Responsible departments that receive the report shall keep confidential of the whistleblower information.

This Company shall investigate the relevant evidences and facts as it discovers or receives the report regarding the Company Personnel's unethical conducts. If a person being informed of is confirmed to have violated the applicable laws and regulations, or the Company's policy and regulations regarding the ethical management, the Company shall immediately request the violator to cease any relevant conducts, and shall make an appropriate disposition. When necessary, the Company will institute legal proceedings and seek damages to safeguard its reputation, its rights and interests.

With respect to the unethical conducts incurred, the Company shall ask relevant departments to review related internal controlling systems, operating procedures, and proposing improvements to prevent recurrence.

Article 23 Actions upon event of unethical conducts by others towards this Company

If any Company Personnel discovers that any other party has engaged in unethical conduct towards this Company, and such unethical conduct involve alleged illegality, this Company shall report the relevant facts to the judicial and prosecutorial authorities; In the event where a public service agency or public official is involved, this Company shall notify the governmental anti-corruption agency.

Article 24 Internal advocacy, establishment of a system for rewards, penalties, complaints, and related disciplinary measures.

Ethical management shall be included in the evaluations of employee performance and human resources policy by this Company, and the clear and effective systems for rewards, penalties, and complaints shall be established.

If any Company Personnel seriously violates ethical conducts, this Company shall dismiss the aforementioned personnel from his/her position or terminate his/ her employment in accordance with applicable laws and regulations, employment contracts, or other contracts signed between the aforementioned personnel and the Company.

Article 25 These Principles and any amendments hereto, shall be implemented after adoption by resolution of the board of directors meeting.

These Principles were made as of 13th August, 2020.