

# Phison Electronics Corp.

## Corporate Sustainable Development Committee Charter

### Article 1

To fulfill corporate social responsibility and achieve its mission as a sustainable corporation, Phison Electronics Corp. and its subsidiaries (hereinafter referred to as **“the Company”**) hereby establishes the Corporate Sustainable Development Committee (hereinafter referred to as **“the Committee”**), and the Committee Charter (hereinafter referred to as **“the Charter”**) which governs the Committee is in accordance with the Company’s Corporate Governance Best Practice Principles and Corporate Social Responsibility Best Practice Principles.

### Article 2

Unless otherwise specified in the laws or the Company’s Articles of Incorporation, the Charter shall govern matters concerning the composition, number, term of office and powers of Committee members; the rules of procedure of meetings; the resources to be provided by the Company when the Committee exercises its powers.

### Article 3

The operation of the Committee shall adhere to the principle of corporate sustainability with guiding the implementation of the following tasks as its purpose:

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

### Article 4

The Board of Directors shall designate members of the Committee by resolution. The Committee shall comprise of no fewer than three members, over 50% of whom shall be independent directors.

### Article 5

To achieve the purposes set forth in Article 3 of the Charter, the Committee has a fiduciary duty to the Board when fulfilling the following responsibilities:

1. Promote and strengthen the corporate governance and integrity;

2. Implement and develop matters related to corporate sustainability;
3. Supervise other matters related to corporate sustainability approved by the Board.

#### Article 6

The Committee shall convene at least once a year, and may call a meeting at its discretion whenever necessary.

In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each member at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.

A member of the Committee shall be elected as the convener and meeting chair by and from the entire membership of the Committee. When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another member on the Committee as acting convener; if the convener does not make such an appointment, one member of the Committee shall be elected by and from the other members of the Committee to serve as convener.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of the Company to attend the meeting as non-voting participants and provide pertinent and necessary information, provided that they shall leave the meeting when discussion or voting takes place.

When the Committee calls a meeting, it shall furnish the members of the Committee present at the meeting with relevant materials for reference as necessary.

#### Article 7

When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the members in attendance, and thereafter made available for reference. Members shall attend meetings of the Committee in person; if a member is unable to attend in person, the member may appoint another member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.

A member of the Committee that appoints another member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors.

The proxy under paragraph 2 may accept a proxy from one person only.

#### Article 8

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the members of the Committee and experts and other persons present at the meeting; name of the member who is an interested party as referred to in paragraph 1 of Article 10, explanation of the material aspects of the interest the member has, the reason why the member should or should not recuse himself or herself and whether or not the member has recused; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the members of the Committee and experts and other persons present at the meeting; name of the member who is an interested party as referred to in paragraph 1 of Article 10, explanation of the material aspects of the interest the member has, the reason why the member should or should not recuse himself or herself and whether or not the member has recused; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be appropriately preserved during the existence of the Company.

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each member and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

#### Article 9

The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

#### Article 10

A member of the Committee shall explain the material aspects of the interest he or she has when he or she is an interested party with respect to a given agenda item. When such a relationship is likely to prejudice the interests of the Company, the member shall not attend the discussion and voting and shall recuse himself or herself therefrom. Also, they shall not exercise the voting right for and on behalf of another member.

If, for the reason stated in the preceding paragraph, an agenda item cannot be resolved at a meeting of the Committee, it shall be reported to the board of directors, which shall resolve on the item.

#### Article 11

Any and all meetings of the Committee shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five (5) years. The files may be stored in the electronic form.

If any litigation relating to a resolution of the meeting of the Committee commences before the expiry of the period in which the evidence shall be kept in accordance with the preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of the litigation.

For a meeting of the Committee convened via videoconferencing, the audio-recorded and videotaped data shall be part of the minutes of the meeting and shall be properly kept during the existence of the Company.

#### Article 12

The Committee may resolve to retain professional experts to provide advisory service regarding matters related to Article 5 of the Charter. All costs associated with such services shall be borne by the Company.

#### Article 13

The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the board of directors. The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

#### Article 14

This Charter, and any amendments hereto, shall come into in force after adoption by a

resolution of the board of directors.

#### Article 15

This Charter has been adopted on November 5, 2021.