

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	1/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

Article 1 **Purpose of Adoption and Scope of Application**
The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties.
The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.

Article 2 **Applicable Subjects**
For the purposes of these Procedures and Guidelines, the term "personnel of the Company" refers to any Director, Independent Director, managerial officer, employee, mandatary, or person having substantial control of the Company or its group enterprises and organizations.
Any provision, promise, request, or acceptance of improper benefits by any personnel of the Company through a third party will be presumed to be an act by that personnel of the Company.

Article 3 **Unethical Conduct**
For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.
The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 **Types of Benefits**

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	2/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5

Responsible Unit and Duties

The Company shall designate the Chairman's Office as the responsible unit (hereinafter, "responsible unit"). The Audit Office shall provide assistance and sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters, and shall report to the Board of Directors on a regular basis (at least once a year):

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistleblowing system and ensuring its operating effectiveness.
6. Assisting the Board of Directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
7. Preparing and retaining properly documented information such as ethical management policy and compliance statements, situations concerning the performance of undertakings and enforcement, etc.

Article 6

Prohibition against Providing or Accepting Improper Benefits

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	3/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Other conduct that complies with the rules of the Company.

Article 7

Procedures for Handling the Acceptance of Improper Benefits

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days of the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days of the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	4/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidiaries (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under the first paragraph, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved.

Article 8

Prohibition of and Handling Procedure for Facilitating Payments

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provide or promise a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9

Procedures for Handling Political Contributions

The Company does not provide political contributions

Article 10

Procedures for Handling Charitable Donations or Sponsorships

Charitable donations or sponsorships by the Company shall be provided in accordance with the Regulations for Authorization and Approval of Company Affairs and the following provisions:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. A written record of the decision making process shall be kept.
3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	5/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

the Company has a relationship of interest.

5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11

Recusal

When a Director, manager, or other stakeholder of the Company attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, the Director, manager, or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another Director. The Directors shall practice self-discipline and must not support one another in improper dealings.

Where the spouse or a blood relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director, has interests in the matters under discussion in the meeting of the preceding paragraph, such Director shall be deemed to have a personal interest in the matter.

If in the course of conducting company business, any personnel of the Company discover that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in commercial activities other than those of the Company.

Article 12

Special Unit in Charge of Confidentiality Regime and its Responsibilities

The Company shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works, and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

All personnel of the Company shall faithfully follow the operational directions

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	6/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

Article 13 **Prohibition against Unfair Competition**
 The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14 **Prevention of Damage caused by Products and Services to Stakeholders**
 The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services and publish all guidelines to drive personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.
 The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.
 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 immediately recall those products or suspend the services, verify the facts, and present a review and improvement plan.
 The responsible unit of the Company shall report the event in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the Board of Directors.

Article 15 **Prohibition against Insider Trading and Non-Disclosure Agreements**
 All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may 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 parties from using such information to engage in insider trading. Any organization or person outside of the Company that is involved in any

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	7/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

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 non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

- Article 16 **Compliance and Announcement of Policy of Ethical Management**
The Company shall require its Directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.
The Company shall disclose its policy of ethical management 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 events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.
- Article 17 **Ethical Management Evaluation Prior to Development of Commercial Relationships**
Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, 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 conducts business in a fair and transparent manner and will not request, offer, or take bribes.
- Article 18 **Statement of Ethical Management Policy to Counterparties in Commercial Dealings**
Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.
- Article 19 **Avoidance of Commercial Dealings with Unethical Operators**

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	8/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it from any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20

Stipulation of Terms of Ethical Management in Contracts

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
2. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21

Handling of Unethical Conduct by Personnel of the Company

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company shall internally establish and publicly announce on its website and intranet an independent mailbox (gtmholdings01@gtm.com.tw) for use by insiders and outsiders of the Company.

A whistleblower shall at least furnish the following information:

1. The whistleblower's name and ID number (whistleblowing reports may be submitted anonymously), and an address, telephone number, and e-mail address where they can be reached.
2. The name of the reported party or other information sufficient to distinguish its identifying features.
3. Specific facts available for investigation.

Personnel of the Company handling whistleblowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	9/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

improper treatment due to their whistleblowing.

The responsible unit of the Company shall observe the following procedure in handling whistleblowing matters:

1. Any information shall be reported to the department head if involving the rank and file and to an Independent Director or supervisor if involving a Director or a senior executive.
2. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, do so with the assistance of any other related department(s).
3. If a person being reported is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
5. With respect to any confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
6. The responsible unit of the Company shall submit to the Board of Directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

Article 22 Actions in the Event of Unethical Conduct by Others Towards the Company If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anticorruption agency.

Article 23 Internal Awareness Sessions and Establishment of a System for Rewards, Penalties, and Complaints, and Related Disciplinary Measures The Company shall link ethical management to employee performance evaluations and human

GTM HOLDINGS CORPORATION

No.		Procedures for Ethical Management and Guidelines for Conduct	Effective Date	Page	10/10
GTM-MNG-0033	Topic		109.08.07	Ver.	1

resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violate ethical conduct, the Company shall dismiss them or terminate their employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

Article 24

Enforcement

These Procedures and the Code of Conduct, and any amendments hereto, shall be implemented after adoption by resolution of the Board of Directors.