

Formosa Laboratories, Inc.

Code of Ethical Corporate Management

1 Purpose

In order to establish a corporate culture of integrity, adopt a "zero tolerance" policy for bribery, and improve the company's operations, this Code is formulated for compliance.

2 Scope

Covers the Company and its subsidiaries, organizations or legal entities that directly or indirectly contribute to foundations with cumulative donations exceeding 50% and other institutions or legal entities that the group enterprises and organizations have actual control over.

3 Responsibility

3.1 Board of Directors: Shall exercise the duty of care to supervise the company to prevent unethical conduct, regularly review and continuously improve the effectiveness of its implementation, and ensure the implementation of the policy on ethical corporate management.

3.2 Finance Department: Shall be responsible for formulating the policy on ethical corporate management and prevention plans.

3.3 Internal Audit Unit: Supervises the implementation status of relevant units and regularly reports to the Board of Directors.

4 Definitions

None.

5 General Description

None.

6 Procedures

6.1 Prohibition of Unethical Conduct and Covered Persons

6.1.1 The directors, supervisors, managers, employees, agents, or those with actual control over the Company must not, during the course of conducting business, directly or indirectly offer, promise, request, or accept any improper benefits or engage in other unethical, illegal, or breach-of-trust acts in order to obtain or maintain benefits.

6.1.2 The subjects of the aforementioned paragraph include public officials, political candidates, political parties, party officials, and any public or private enterprises or institutions and their directors, supervisors, managers, employees, those with actual control over the company, or other stakeholders.

6.2 Forms of Benefits

6.2.1 Benefits refer to anything of value, including money, gifts, commissions, positions, services, preferential treatment, kickbacks, etc., in any form or name. However, this does not apply to normal social customs that are incidental and do not pose a risk of affecting specific rights and obligations.

6.3 Compliance with Laws and Regulations

6.3.1 Directors, supervisors, managers, employees, and those with actual control over the company should comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, relevant regulations for TWSE/TPEX listed companies,

and other laws and regulations related to commercial activities and unethical behavior when conducting business.

6.4 Integrity Policy

6.4.1 The Company, adhering to the principles of integrity, transparency, and responsibility, has established policies based on integrity and sound corporate governance, and risk control mechanisms to create a sustainable operating environment.

6.5 Plan and Scope for Prevention of Unethical Conduct

6.5.1 Directors, supervisors, managers, employees, persons with authority, and those with actual control over the company should pay attention to the following matters when carrying out duties:

6.5.1.1 In daily operations, all departments are prohibited from engaging in bribery when conducting business activities, whether directly or through third parties (including transactions through subsidiaries, joint ventures, agents, representatives, consultants, stockbrokers, contractors, suppliers, or other intermediaries).

6.5.1.2 A comprehensive ban on accepting bribes in various forms, such as receiving kickbacks from contracts or seeking to profit from customers, agents, contractors, suppliers, and employees. However, this does not apply to normal social customs (such as gifts presented by vendors during major holidays or souvenirs given by our company when visiting customers, with a value below TWD 100,000), provided that they are occasional and do not affect specific rights and obligations.

Any expenses for entertainment must be approved by the responsible supervisor according to the "Approval Authority Form" as attached in the duty authorization and delegation system before they can be made.

6.5.1.3 Prohibition to make direct or indirect donations to specific political parties, party members, candidates, political organizations, or figures as a form of disguised bribery.

6.5.1.4 Charitable donations should be made only after being approved by the responsible supervisor according to the "Approval Authority Form" as attached in the duty authorization and delegation system to ensure that the entire donation process is transparent.

6.5.1.5 Prohibition on providing or accepting unreasonable gifts, entertainment, or other improper benefits. Unreasonable gifts, hospitality, or other improper benefits refer to those that do not belong to normal social customs and are not occasional but have an impact on specific rights and obligations.

6.5.1.6 "Prevention of Insider Trading Management Operating Procedures" has been established to guide the directors and supervisors in maintaining the confidentiality of sensitive business information and trade secrets. Employees also signed confidentiality and non-compete agreements as part of their employment contracts.

6.5.1.7 Business relationships with suppliers, customers, and business partners involved in unethical conduct should be terminated.

- 6.5.1.8 Prohibition of any actions that infringe on trade secrets, trademarks, patents, copyright, and other intellectual property rights. The Company, along with its directors, supervisors, managers, employees, appointed persons, and those with actual control, should comply with relevant intellectual property laws and regulations, internal procedures, and contractual provisions. Without the consent of the intellectual property rights owner, shall not use, disclose, dispose of, damage, or engage in any other acts that infringe upon intellectual property rights.
 - 6.5.1.9 Prohibition of unfair competition. The Company shall engage in business activities in accordance with relevant competition laws and regulations and is prohibited from fixing prices, manipulating bids, restricting output and quotas, or sharing or dividing the market by allocating customers, suppliers, operating areas, or types of businesses.
 - 6.5.1.10 Products and services are prohibited from directly or indirectly harming the rights, health, and safety of consumers or other stakeholders during research and development, procurement, manufacturing, provision, or sale. The Company, along with its directors, supervisors, managers, employees, appointed persons, and those with actual control, should follow relevant laws and regulations and international standards during the research and development, procurement, manufacturing, provision, or sale of its products and services. Further, should ensure the transparency and safety of products and services and establish and publicly disclose policies to protect the rights and interests of consumers and other stakeholders. The policies should be implemented during operational activities to prevent direct or indirect harm caused by the products or services to the rights, health, and safety of consumers or other stakeholders. In principle, when there is sufficient evidence to believe that the company's products or services pose a risk to the safety and health of consumers or other stakeholders, the company should immediately recall the affected products or discontinue the services.
- 6.6 Duties of Directors, Managers, Employees, Appointed persons, and those with Actual Control as well as Specialized Units
- 6.6.1 Directors, managers, employees, appointed persons, and those with actual control: Shall exercise the due diligence of a prudent manager to supervise the company in preventing unethical conduct, constantly review the effectiveness of implementation and make continuous improvements to ensure the implementation of the policy on ethical corporation management.
 - 6.6.2 Finance Department: Responsible for formulating the policy on ethical corporate management and prevention plan.
 - 6.6.3 Internal Audit Unit: Supervise the implementation of relevant departments and regularly report to the Board of Directors.
- 6.7 Avoidance of Interests for Directors and Managers
- 6.7.1 Article 15 of the Company's "Rules and Procedures of Board Meetings" stipulates that those who have an interest in themselves or the legal person they represent, which may be harmful to the interests of the Company, may express

their opinion and respond to questions, but shall not participate in the discussion and voting, and shall recuse themselves during the discussion and voting. In addition, shall not act as a proxy for other directors to exercise their voting rights.

- 6.7.2 Directors and managers shall not use their positions in the company to obtain improper benefits for themselves, their spouses, parents, children, or any other individuals.
- 6.8 Regularly promote and educate directors and managers at board meetings or operational management meetings to ensure they fully understand the company's commitment to ethical business practices, policies, prevention plans, and the consequences of violating anti-corruption rules. Then, department heads should relay this information to rest of the department personnel. In addition, the procurement unit is requested to promote and educate suppliers and contractors on these policies and guidelines.
- 6.9 The Company does not have any off-the-book or secret accounts, and the current accounting and internal control systems are sufficient to effectively manage related operational risks. However, as the economic environment changes and the company's business volume continues to expand, these systems should be reviewed and evaluated in a timely manner.
The internal audit unit should regularly review the implementation of the aforementioned policies and guidelines and prepare audit reports for submission to the Board of Directors. The company may also appoint an outside accountant to carry out the audit, and if necessary, engage professional experts for assistance.
- 6.10 Policy on ethical corporate management has been incorporated into the "Employee Performance Evaluation Measures" to integrate with employee performance evaluation in order to establish a clear and effective reward and disciplinary system.
- 6.11 The Company has a human resources department and an external email address on the website for whistleblowers to report misconduct. The relevant department will maintain confidentiality over the identity of the whistleblower and the content of the report. Upon discovering significant violations or a risk of substantial damage to the company through investigation, the designated personnel or unit responsible for handling whistleblowers should immediately prepare a report and notify the independent directors in writing.
- 6.12 Once a violation of the rules on ethical corporate management is confirmed, the employee will be disciplined in accordance with Article 42 of the Employee Work Rules. The violator's job title, name, violation date, violation details, and handling status will be disclosed on the company's internal website.
- 6.13 Attention shall be paid to the development of domestic and international ethical corporate management standards and encourage directors, managers, and employees to make suggestions. These suggestions will be used to review and improve the company's ethical corporate management guidelines, ultimately enhancing the effectiveness of the company's integrity management.
- 6.14 This Code shall be implemented after being approved by the Board of Directors and reported to the Shareholders' Meeting. The same process applies to any amendments. In addition, when this Code is submitted to the Board of Directors for discussion, the opinions of all independent directors should be fully considered, and any opposing or reserved opinions should be recorded in the minutes of the Board of Directors' meeting. If an independent director cannot attend the Board of Directors' meeting in person to express their opposition or reservation, they should, unless there is a



legitimate reason, provide a written opinion in advance, which should also be recorded in the minutes of the Board of Directors' meeting.

If the Company has established an audit committee, the provisions of this code for supervisors shall apply to the audit committee.

This Code was enacted on December 23, 2010.

The first amendment was made on March 26, 2015.

The second amendment was made on March 10, 2022.