

(6) The performance of the integrity management situation and the deviation between the integrity management code of the listed companies and the reasons :

Evaluation Items	Operation Status (Note1)			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies"
	Yes	No	Abstract Description (Note 2)	
<p>1. Formulate honest management policies and plans</p> <p>(1) Does the company formulate an honest operation policy approved by the board of directors, the policies and practices of integrity management are clearly stated in the external documents, and the board of directors and senior management actively implement the promise of operating policies?</p> <p>(2)Whether the company has established a risk assessment mechanism for dishonest conduct, and regularly analyzes and assesses business activities within the business scope that have a higher risk of dishonest behavior, and formulates plans to prevent dishonest behaviors accordingly, and at least cover the "Code of Integrity Management of Listed OTC Companies"</p> <p>What are the preventive measures for each of the acts in the second paragraph of Article 7?</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>No</p>	<p>(1) The company has established "Code of Integrity Management" and "Standard of Ethical Conduct" → (Company-wide Code of Conduct and Ethics for Employees),</p> <p>In addition, there are related specifications in the company's "Working Rules".</p> <p>The specifications also clearly state the policies and practices of honest operation, as well as the commitment of the board of directors and management to actively implement the operating policies.</p> <p>(2) The company has established a good internal major information processing and disclosure mechanism.</p> <p>To avoid improper disclosure of information, and to ensure the consistency and accuracy of the information published by the company to the outside world,</p> <p>and strengthen the prevention of insider trading, the "Management Measures for the Processing of Internal Major Information and the Prevention of Insider Transactions" was specially formulated. In addition, as mentioned in (1) above, the company strengthens the education, training and promotion of employees, Make it fully understand the company's determination, policies, and the consequences of prevention programs and violations of integrity. In addition, to ensure the implementation of integrity management, the company has established an effective accounting system and internal control system, internal auditors also regularly</p>	<p>No Major Difference</p>

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(3) Does the company specify operating procedures, behavior guidelines, and guidelines in the plan for preventing dishonest behavior? Punishment and appeal system for violations, and implement them, and regularly review the pre-revision plan?			<p>check the compliance of the preceding system. The "Code of Integrity Management of Listed OTC Companies", the second paragraph of Article 7, or other business activities within the business scope that have a higher risk of dishonest conduct, take relevant preventive measures. and formulated the "Management Measures for the Processing of Internal Major Information and Prevention of Insider Transactions", "Code of Integrity Management", and "Code of Ethical Conduct". This will be published on the company's internal website intranet.ts.com.tw and external website www.ts.com.tw for compliance.</p> <p>(3) The company has established a risk assessment mechanism for dishonesty conduct and performs regular risk assessment.</p> <p>The company assess business activities within the business scope that have a higher risk of dishonest behavior.</p> <p>Based on this, the prevention plan is formulated and the appropriateness and effectiveness of the prevention plan are regularly reviewed.</p> <p>The company should refer to the standards or guidelines commonly used at home and abroad to formulate prevention plans, and cover at least the following preventive measures:</p> <ol style="list-style-type: none"> 1. Offering and receiving bribes. 2. Providing illegal political donations. 3. Improper charitable donations or sponsorships. 4. Providing or accepting unreasonable gifts, entertainment or other improper benefits. 	

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			5. Infringement of trade secrets, trademark rights, patent rights, copyrights and other intellectual property rights. 6. Engaging in acts of unfair competition. 7. Products and services that directly or indirectly damage the rights, health and safety of consumers or other interested parties during research and development, procurement, manufacturing, provision or sales.	
2. Implementing integrity management (1) Whether the company assesses the integrity record of its counterparts, and clearly stipulates the good faith behavior clause in the contract signed with the counterparty? (2) Whether the company has set up a dedicated unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board of directors of its integrity management policy and prevent dishonest behavior plan and supervise the implementation situation?	✓ ✓		(1) The company conducts business activities in a fair and transparent manner, and foreign contracts require good faith clauses. In addition to formulating customer complaint procedures and setting up an exclusive unit, the company provides product support service window and insured product liability insurance on the company's public website. (2) (1) The company's major operating policies, investment cases, acquisition and disposal of assets, endorsement guarantee, fund loan, bank financing and other matters have been evaluated and analyzed by relevant authorities and resolved by the board of directors. (2) Major cases or doubtful cases should be confirmed by the relevant legal advisers based on their professional nature. (3) Financial accounting units review transaction accounts in accordance with accounting principles. For major or doubtful cases, consult an accountant for confirmation.	No major difference

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(3) Does the company formulate policies to prevent conflict of interest and provide appropriate channels for presentations? And implement it?	✓		<p>(4) The audit unit conducts audits on various departments on a regular and irregular basis, implements the supervision mechanism and manages risk.</p> <p>(5) According to the company’s "Code of Integrity Management", the company’s directors, managers, employers, assignees and actual controllers should perform the duty of care of a good manager, urge the company to prevent dishonest behavior, and review its implementation effectiveness and continuous improvement at any time, and ensure the implementation of the integrity management policy. To improve integrity management of the company, the General Manager's Office is responsible for the formulation and supervision of the implementation of the integrity management policy and prevention plan, mainly in charge of the following matters and report to the board of directors regularly (at least once a year): (In addition to presenting the audit report to the board of directors, the Company also present the following items at the 12th Board meeting of the 15th session, on 15 March 2023:</p> <p>(a) The Report on Company's 2022 Communication Channel with Stakeholders</p> <p>(b) The Report on Company's 2022 Corporate Sustainability (ESG) Implementation</p> <p>(c) Report on Risk management policies and procedures, disclosure of risk management scope, organizational structure, and its operation of the Company for 2022</p> <p>(d) Report on the Formulation, Operation and</p>	

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<p>(4) Whether the company has established an effective accounting system, the internal control system, and the internal audit unit based on the results of the assessment of the risk of dishonest behavior, draw up relevant audit plans, and check compliance with the plan to prevent dishonest behaviors, or entrust an accountant to perform the audit?</p> <p>(5) Does the company regularly organize internal and external education and training on integrity management?</p>	✓		<p>Implementation of the Company's Integrity Management Policy and Prevention Programme for the Year 2022</p> <p>(e) Report of the 2022 head of corporate governance of the Company on the results of reviewing the qualifications of independent directors in the process of nomination, election and appointment for the term of office in compliance with relevant statutory requirements</p> <ol style="list-style-type: none"> 1. Assist in integrating integrity and ethical values into the company’s business strategy, and cooperate with laws and regulations to formulate relevant anti-fraud measures to ensure integrity management. 2. Regularly analyze and evaluate the risk of dishonest behavior in the business scope, and formulate plans to prevent dishonest behaviors accordingly, and formulate standard operating procedures and behavior guidelines related to work and business in each plan. 3. Planning the internal organization, establishment and responsibilities, for business activities with a higher risk of dishonesty within the business scope, set up mutual supervision and checks and balances mechanism. 4. Promotion and coordination of honesty policy and training. 5. Plan the reporting system to ensure the effectiveness of implementation. 6. Assist the board of directors and management to check and assess whether the preventive measures established in the implementation of integrity management are operating effectively, and regularly evaluate the compliance status 	

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			<p>of related business processes and prepare reports.</p> <p>(3) The company has formulated the Code of Integrity Management and other related management measures and "Working Rules" and on the company's internal website intranet.ts.com.tw and external webpage www.ts.com.tw Providing proper presentation channels and implementing them is sufficient to prevent various frauds from happening.</p> <p>(4) To ensure the implementation of integrity management, the company has established an effective accounting system and internal control system, the internal auditing unit of the company shall, based on the assessment results of the risk of dishonest conduct, draw up relevant audit plans, including audit objects, scope, items, frequency, etc. Based on the compliance of the prevention plan, an accountant may be appointed to perform the check, if necessary, you may entrust professional assistance. The results of the inspection in the preceding paragraph shall be reported to the senior management, and the unit responsible for integrity management shall prepare an audit report and submit it to the board of directors.</p> <p>(5) The company regularly and irregularly organizes internal and external education and training on integrity management, to strengthen employees' compliance with the Code of Integrity Management and other related management measures.</p>	
3. The operation of the company's whistleblowing			(1) The company has specified a specific reporting and	No major difference

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<p>system:</p> <p>(1) Does the company formulate specific reporting and reward systems, and establish convenient reporting channels, and to assign appropriate personnel to accept the report?</p> <p>(2) Whether the company has established standard operating procedures for the investigation of the reporting matters, what follow-up measures and related confidentiality mechanisms should be taken after the investigation is completed?</p> <p>(3) Does the company take measures to protect the informant from being improperly handled as a result of the report?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>reward system in the "Work Rules" Degree, and has formulated the "Code of Integrity Management" and "Code of Ethical Conduct", and on the company's internal website intranet.ts.com.tw and the external webpage www.ts.com.tw provides appropriate statement channels and whistle-blowing channels and implementation, which is sufficient to prevent various frauds from happening. Designate appropriate personnel in charge of receiving reports for the reported objects, and strengthen the promotion of employees.</p> <p>(2) The company has established and announced employee complaint channels on the company's internal website intranet.ts.com.tw and external website www.ts.com.tw. It is reserved for employees to use and keeps confidential, and allows anonymous reporting. The company communicates with employees on a regular basis, and the handles reports properly. In addition, the company has established "Code of Integrity Management" and "Standards of Ethical Conduct" → (Company-wide employee conduct and ethics code), and also there are related specifications in the company's "Work Rules". Organize education, training and advocacy for employees so that they can fully understand the company's determination to operate with integrity, the consequences of policies, prevention programs, and violations of integrity.</p> <p>(3) The company adopts protective measures for reporting and handling. Reports will be handled properly by the supervisors, audit and legal personnel of each factory, to protect the informant from being improperly handled due to the report.</p>	
4. Strengthen information disclosure			(1) The company is in the "computer" cycle of the internal	No major difference

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(1) Whether the company on its website and public information observation station, exposes the content and promotes the effectiveness of its code of integrity management?	✓		control system and has formulated the "Internal Important Information Processing Procedure". Including public information declaration operations, prevention of insider transaction management operations, financial and non-financial information management operations, etc., there are also "Code of Integrity Management" and "Standards of Ethical Conduct", in addition to issuing announcements to all employees. The company has exposed various information in the public information observatory, external www.ts.com.tw website and the internal intranet.ts.com.tw website that is available for investment public and employees to refer to. (2) The company has commissioners responsible for the collection and release of various information, and has set up and reported relevant information of the spokesperson and acting spokesperson in accordance with the regulations.	
<p>5. If the company has its own code of integrity management in accordance with the "Code of Integrity Management of Listed OTC Companies", please state the difference between its operation and the established code: The company has established "Code of Integrity Management" and "Standards of Ethical Conduct" → (Company-wide employee conduct and ethics code), in addition, there along with the related specifications in the company's "Working Rules". The company should be based on the business philosophy of integrity, transparency and responsibility, formulate a policy based on integrity, and establish a sound corporate governance and risk control mechanism. To create a sustainable business environment, and to improve integrity management, the company should appoint a dedicated unit to formulate and supervise the implementation of policies and prevention plans, and report regularly to the board of directors. The company should clearly state the policies and practices of honest operation, and the board of directors and management should actively implement the commitments of operating policies, etc. The actual operation is in accordance with the regulations, and there is no significant difference between the code and the code set by the company.</p>				
<p>6. Other important information that helps to understand the company's integrity management operations (For example, the company promotes the company's determination to conduct business with integrity, Policies and invite them to participate in education and training, review and revise the company's code of integrity management, etc.):</p>				

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<p>(1) The company complies with the Company Act, Securities Exchange Law, Commercial Accounting Law, regulations related to listing on the OTC or other business practices related laws and regulations, to be the basis for the implementation of integrity management.</p> <p>(2) The company's "Rules of Procedures for the Board of Directors" has a system for avoiding the interests of directors; To establish a good internal major information processing and disclosure mechanism, the company avoids improper disclosure of information, Ensures the consistency and accuracy of the information published by the company to the outside world, Strengthens the prevention of insider trading, has specially formulated the "Management Measures for the Handling of Important Internal Information and the Prevention of Insider Transactions", which clearly stipulates the relevant regulations for directors, managers and employees to handle important internal information of the company; the company's "ethical behavior standards" → (Company-wide employee conduct and ethics code) specified directors, managers are not allowed to use company property, information, or use their position for personal gain, etc. In addition, to ensure the implementation of the company’s integrity management, the company has established an effective accounting and internal control system, while internal auditors also regularly check the compliance of the preceding system. In addition, the "Code of Integrity Management of Listed Companies" Article 7 Paragraph 2 or other business activities within the business scope that have a higher risk of dishonest conduct, take relevant preventive measures. and therefore, the company's operations have complied with the requirements of the "Code of Integrity Management for Listing on the OTC"..</p>				

Note 1: Regardless of whether the operation status is checked "Yes" or "No", it should be stated in the summary description column.

(7) If the company has formulated corporate governance codes and related regulations, state its inquiry method:

The company currently has formulated the "Code of Practice for Corporate Governance", "Code of Practice for Sustainable Development ", "Standards of Ethical Conduct" → (Company-wide code of conduct and ethics for employees), "Code of Integrity Management", "Director Election Measures", "Rules of Procedures for Shareholders' Meetings", "Independent Directors' Scope of Responsibilities", "Organization Rules for the Audit Committee", "Organization Rules for the Compensation Committee", "Sexual Harassment Prevention Measures Complaints and Disciplinary Measures", "RBA Policy and Target Management Measures", "Administrative Measures for the Processing of Internal Major Information and the Prevention of Insider Transactions", "Environmental and Social Responsibility Exception Handling Measures", "Professional Ethics Risk Assessment Management Measures", "Social Responsibility Risk Assessment Management Measures", "Board self-evaluation or peer evaluation", "Standard Operating Procedures for Handling Directors' Requests" and Complete internal control system and internal audit system and other corporate governance codes, to implement the operation and promotion of corporate governance, relevant codes and regulations are also disclosed on the company's internal website <http://intranet.ts.com.tw>, external website <http://www.ts.com.tw> and public information observation station <http://mops.twse.com.tw>.

(8) Other important information that is sufficient to enhance the understanding of corporate governance operations:

- (1) Follow the internal control system, implement continuously and effectively, implement internal control self-inspection, strengthen the audit and report to the board of directors, and enable the directors and supervisors to understand and achieve the purpose of attention and supervision.
- (2) Implement the spokesperson system, make information transparent, and fully expose relevant major information.
Let shareholders have the right to equal information.
- (3) Continue to arrange courses to handle the further training of directors and supervisors,
to implement the spirit of corporate governance from the board of directors.

Attached Table (A): Listed counter companies should record matters concerning the operation of corporate governance-directors, Independent directors and managers participating in external training courses

Title	Name	Study Date		Organizer	Course Name	Training Hours
		Start Date	End Date			
Director	Wang Shiu Ting	2022.11.30	2022.11.30	The Accounting Research and Development Foundation	The Latest Development of the ESG and the Financial Statement Self-Preparation Policies and Internal Control Management Practices	6.0
Director Representative	Wang Xing Lei	2022.11.30	2022.11.30	The Accounting Research and Development Foundation	The Latest Development of the ESG and the Financial Statement Self-Preparation Policies and Internal Control Management Practices	6.0
Director Representative	Liu Chang Yu	2022.11.03	2022.11.03	Securities and Futures Institute	Introduction to Right of Disgorgement and Related Cases	3.0
Director Representative	Liu Chang Yu	2022.11.15	2022.11.15	Securities and Futures Institute	ESG New Economy and New Opportunities for Enterprise Transformation	3.0
Independent Director	Jhan Cian Long	2022.10.19	2022.10.19	Securities and Futures Institute	Introduction to Right of Disgorgement and Related Cases	3.0
Independent Director	Jhan Cian Long	2022.10.19	2022.10.19	Securities and Futures Institute	Challenges and Opportunities of Sustainable Development Path and Introduction of Greenhouse Gas Inventory	3.0
Independent Director	Lin Bo Sheng	2022.10.11	2022.10.11	Securities and Futures Institute	M&A Practices	3.0
Independent Director	Lin Bo Sheng	2022.11.04	2022.11.04	Taiwan Corporate Governance Association	Mergers & Acquisitions Practices and Case Studies	3.0
Independent Director	Fan Hong Shu	2022.11.04	2022.11.04	Taiwan Corporate Governance Association	Corporate governance and regulations relating to securities	3.0
Independent Director	Fan Hong Shu	2022.08.25	2022.08.25	Taipei Exchange	The Insider Equity Publicity Seminar of the Company Over-the-counter Market	3.0
Independent Director	Ma Shu Zhuang	2022.06.29	2022.06.29	Taiwan Corporate Governance Association	Knowing, Facing, and Responding to CFC	3.0
Independent Director	Ma Shu Zhuang	2022.07.27	2022.07.27	Taiwan Stock Exchange Corporation	SUSTAINABLE DEVELOPMENT ROADMAP	2.0
Independent Director	Ma Shu Zhuang	2022.08.25	2022.08.25	Taipei Exchange	The Insider Equity Publicity Seminar of the Company Over-the-counter Market	3.0

Attachment (A_1): Disclosure of Certification details of employees whose jobs are related to the release of the company's financial information: None

Attached table (B): The company's 2022 employees' further education and education training statistics and expenditures are as follows:

Course Category	Number of courses	Total number of students	Total number of hours	Total cost (NT\$1,000)
Code of Ethical Conduct & Code of Integrity Management	55	280	280	696
Preventing Relevant Courses of Insider Trading	3	87	111	
Labor safety and health training	179	1,590	3,854	
Professional Training	196	7,012	23,663	
Management training	68	824	1,687	
General training	34	1,121	2,493	
New Joiner training	61	149	523	
Total	596	11,063	32,611	