



O-Bank Co., Ltd. Ethical Corporate Management Best Practice Principles

Amended upon approval by the 9th Board of Directors in its 10th meeting on June 27, 2024

Article 1

To foster a corporate culture of ethical management and sound development, the Company draws on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies to adopt these Ethical Corporate Management Best Practice Principles (hereinafter “Principles”).

The scope of application of these Principles includes the Company, its subsidiaries, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the said foundation, and other affiliated businesses and organizations (hereinafter “affiliated businesses and organizations”), such as institutions or juristic persons, substantially controlled by the Company.

Article 2

When engaging in commercial activities, any director, managerial officer, employee, or mandatary of the Company or any person having substantial control over the Company (hereinafter “substantial controller”) shall not directly or indirectly offer, promise, request, or accept any improper benefits, nor commit such unethical conduct as breach of ethics, illegal acts, or breach of fiduciary duty (hereinafter “unethical conduct”) for purposes of acquiring or maintaining benefits.

The counterparties to the unethical conduct under the preceding paragraph include civil servants, political candidates, political parties or their staffs, government-run or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, substantial controllers, or other interested parties.

Article 3

For the purposes of these Principles, the term “benefits” refers to any item of value, including any money, gift, commission, position, service, preferential treatment, and rebate in whatever form or name. Benefits that are received or given occasionally in accordance with generally accepted social customs and that do not adversely affect specific rights or obligations shall be excluded.



Article 4

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, and Act on Recusal of Public Servants Due to Conflicts of Interest while drawing on TWSE/GTSM listing rules or other laws and regulations governing commercial activities as the foundation for implementing ethical management.

Article 5

The Company shall abide by its commitment to honesty, transparency, and responsibility, draw on its core values—Trust, Outstanding, Unity, Creativity, and Honor—to formulate an ethical management policy, and secure Board of Directors approval thereof while establishing sound corporate governance and risk control and management mechanisms, thereby creating an operational environment for sustainable development.

Article 6

When formulating its ethical management policy, the Company shall clearly and thoroughly prescribe specific ethical management practices and devise programs to forestall unethical conduct (hereinafter “prevention programs”), including operating procedures, conduct guidelines, and related training.

The Company’s prevention programs shall comply with applicable laws and regulations of the places where the Company and its affiliated businesses and organizations operate.

Article 7

The Company shall establish a risk assessment mechanism against unethical conduct, regularly analyze and assess business activities within their scope of business that are at a higher risk of being involved in unethical conduct, and devise prevention programs accordingly and review their adequacy and effectiveness on a regular basis.

The Company may refer to prevailing domestic and foreign standards or guidelines in devising prevention programs, which shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Provision of illegal political contributions.
3. Improper charitable donations or sponsorships.
4. Offering or acceptance of unreasonable gifts, entertainment, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.



6. Engaging in unfair competitive practices.
7. Undermining, direct or indirect, of the rights and interests of consumers or other stakeholders in the course of research and development, provision, or sale of products and services.

Article 8

The Company shall ask directors and senior executives to present statements on compliance with its ethical management policy and shall specify the requirement in its employment terms and conditions for employees to comply with the ethical management policy.

The Company shall clearly specify in internal rules and external documents and on its website both its ethical management policy and the commitment of the Board of Directors and senior management to rigorously and thoroughly implementing this policy. The Company shall faithfully implement this policy in both internal management and external activities.

The Company shall compile and properly retain documented information on its ethical management policy, statement, commitment, and implementation referred to in the first and second paragraphs.

Article 9

The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transaction, the Company shall take into consideration the legality of its client or other transaction counterparty and whether the latter is involved in unethical conduct, and shall avoid any dealings with any party so involved.

When entering into a contract with a client or other transaction counterparty, the Company shall include terms that require compliance with its ethical management policy and that in the event the transaction counterparty is involved in unethical conduct, the Company may at any time terminate or rescind the contract.

Article 10

When conducting business, the Company and its directors, managerial officers, employees, mandataries, and substantial controllers may not directly or indirectly offer, promise, request, or accept any improper benefits in whatever form to or from clients, public servants, other transaction counterparties, or stakeholders.

Article 11



When directly or indirectly offering a contribution to any political party or organization or individual participating in political activities, the Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall comply with the Political Donations Act and internal operating procedures, and shall not make such contributions in exchange for commercial gains or business advantages.

Article 12

When making or offering donations and sponsorships, the Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall comply with applicable laws and regulations and internal operating procedures, and shall not surreptitiously engage in bribery.

Article 13

The Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable gifts, entertainment, or other improper benefits in order to establish business relationships or influence commercial transactions.

Article 14

The Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, internal operating procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose of, or damage any intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 15

The Company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, territories, or lines of business.

Article 16

In the course of research and development, provision, or sale of products and services, the Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the information transparency and safety of such products and services. They shall also adopt and publish a policy on protecting the rights and interests of consumers or



other stakeholders, and carry out this policy in business operations, thereby preventing the Company's products and services from directly or indirectly undermining the rights and interests of consumers or other stakeholders.

Article 17

The Company and its directors, managerial officers, employees, mandataries, and substantial controllers shall exercise the due care of good administrators by supervising efforts to prevent unethical conduct, reviewing progress on this front, and urging continuous improvement at all times, thereby ensuring that the Company has faithfully implemented its ethical management policy.

To ensure sound ethical management, the Corporate Governance and Nomination Committee shall act as the solely responsible unit that is to be equipped with sufficient resources and qualified personnel and responsible for adopting and supervising the implementation of the Company's ethical management policy and prevention programs. This responsible unit shall be in charge of the following matters and shall submit reports to the Board of Directors on a regular basis (at least once a year):

1. Assist 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. Analyze and evaluate the Company's vulnerability to unethical conduct within its scope of business on a regular basis and, in turn, adopt programs to prevent unethical conduct and set out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Plan the internal organization, structure, and allocation of responsibilities and setup check-and-balance mechanisms for mutual supervision of the business activities within the Company's scope of business that are at a higher risk of unethical conduct.
4. Promote and coordinate awareness-enhancing and educational activities with respect to the Company's ethical management policy.
5. Develop a whistleblowing system and ensure its operating effectiveness.
6. Assist the Board of Directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are operating effectively, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 18



The Company's directors, managerial officers, employees, and substantial controllers shall comply with laws and regulations and the Company's prevention programs when conducting business.

Article 19

The Company shall adopt a policy on the prevention of conflicts of interest to identify, monitor, and manage the risk of unethical conduct that may thus arise, and shall also offer appropriate means for directors, managerial officers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the Company. When a director, managerial officer, or other stakeholder attending or present at the Company's board meeting, or a juristic person represented thereby, has a personal interest in a proposal at the meeting, that director, managerial officer, or stakeholder shall state the important aspects of this personal interest at 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 exercise self-discipline and may not support one another in an inappropriate manner.

The Company's directors, managerial officers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the Company to obtain improper benefits for themselves, spouses, parents, children, or any other person.

Article 20

The Company shall establish effective accounting and internal control systems for business activities at a higher risk of being involved in unethical conduct, shall not establish under-the-table accounts or keep secret accounts, and shall conduct reviews regularly so as to ensure that the design and enforcement of these systems remain effective.

The Company's internal audit unit shall, based on the results of assessment of the risk of involvement in unethical conduct, devise audit plans that specify auditees, audit scope, audit items, and audit frequency, and examine compliance with the Company's prevention programs accordingly. The internal audit unit may engage certified public accountants to carry out the said audits, and may draw on the assistance of professionals if necessary.

The results of the audits under the preceding paragraph shall be reported to senior management and the responsible unit and submitted in the form of audit reports to the Board of Directors.



Article 21

The Company shall establish operating procedures and conduct guidelines in accordance with the provisions of Article 6 to guide directors, managerial officers, employees, mandataries, and substantial controllers on how to conduct business. These procedures and guidelines shall at least cover the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for handling legitimate political contributions.
3. Procedures for handling charitable donations or sponsorships and criteria for the monetary amounts thereof.
4. Rules for avoiding work-related conflicts of interest and procedures for reporting and handling them.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the course of conducting business.
6. Regulations on and procedures for dealing with suppliers, clients, and transaction counterparties suspected of unethical conduct.
7. Procedures for handling violations of these Principles.
8. Disciplinary action to be taken against offenders.

Article 22

The Company's chairperson, president, or managerial officers shall communicate the importance of corporate ethics to directors, employees, and mandataries on a regular basis.

The Company shall regularly organize training and awareness programs for directors, managerial officers, employees, mandataries, and substantial controllers, occasions that the Company's transaction counterparties shall be invited to attend, so that all parties concerned can fully understand the Company's resolve to implement ethical management, its policy and prevention programs thereof, and the consequences of committing unethical conduct.

The Company shall incorporate ethical management into its employee performance evaluation and human resources policy, and establish a clear and effective system for rewards and penalties.

Article 23

The Company shall establish and faithfully implement a well-defined whistleblowing



system, which shall include at least the following:

1. The Company's website shall establish and announce a channel for accepting reports, the whistleblowers can report by phone, email, or written mail.
2. The assignment of personnel or a unit responsible for handling whistle blowing reports. Any report involving a director or a senior managerial officer equal to Vice President level shall be submitted to the Audit Committee. Whistleblowing cases shall be categorized and investigation procedure shall be adopted for them respectively.
3. The adoption of follow-up measures depending on the severity of the circumstances in question after the investigation of whistleblowing reports is completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority for further investigation.
4. The recording and retention of documents concerning case acceptance, investigation processes, investigation results, and other related matters.
5. Keeping confidential the whistleblowers' identity and contents of their information while giving them the option of staying anonymous.
6. The adoption of measures for protecting whistleblowers from improper treatment due to their whistleblowing.
7. Provision of incentives for whistleblowing.

Upon becoming aware of a material violation or the likelihood of the Company's sustaining a material damage after an investigation, the Company's personnel or unit responsible for handling whistleblowing reports shall immediately prepare a report and notify the Audit Committee in writing.

Article 24

The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of ethical management rules, and shall disclose on its intranet such information as the name and title of the offender, the date and details of the violation, and the actions taken in response in a timely manner.

Article 25

The Company shall collect quantitative data on its promotion of ethical management and continuously analyze and assess the effectiveness in implementing its ethical management policy. The Company shall also disclose the measures taken to implement ethical management, status of implementation, the foregoing quantitative data, and effectiveness of the said promotion on its website and in its annual report and prospectus. Meanwhile,



the Company shall disclose these Principles on the Market Observation Post System.

Article 26

The Company shall at all times monitor the development of ethical management regulations both at home and abroad and encourage directors, department/branch heads and higher-ranking managerial officers, and employees to make suggestions, based on which the Company's ethical management policy is to be reviewed and improved, thereby further enhancing the Company's effectiveness in implementing ethical management.

Article 27

These Principles, and any amendments hereto, shall be implemented after securing approval of the Board of Directors, and shall be presented before the shareholders' meeting. If it only an organization rename and does not involve adjustments to internal operating procedures, the approval shall be authorized by the Head of Business Strategy Division.

When the Company, as prescribed in the preceding paragraph, submits these Principles to the Board of Directors for discussion, each independent director's opinions shall be taken into full consideration, and any objection or reservation shall be recorded in the minutes of the Board of Directors meeting. Any independent director who is unable to attend the board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the meeting minutes.

These Principles shall apply to the Company's Audit Committee.

Amendment Record:

Implementation upon approval by the 6th Board of Directors in its 14th meeting on December 23, 2015.

Amendment upon approval by the 7th Board of Directors in its 19th meeting on August 23, 2019.