

**Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"**

Evaluation Item	Implementation Status			Deviations and its Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	V		(1) To (3) "Integrity" is the important operational philosophy and core value of the company. Based on good corporate governance and risk management mechanisms, the Board has approved and passed a series of ethical corporate management policies, including "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct" and "Codes of Ethical Conduct". The company is committed to carrying out the policies in internal management and in business activities. Our ethical corporate management policies, methods and the implementation of relevant policies by the directors and the management are detailed in the company's website at <a href="http://www.lingsen.com.tw/webc/html/investor/investor.aspx">http://www.lingsen.com.tw/webc/html/investor/investor.aspx</a> .	(1) ~ (3) No material differences
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		General Manager Office is the unit responsible for ethical corporate managements. General Manager Office analyzes and assesses the business activities at risk from unethical conduct each year. Preventive measures are separately established in accordance with the subparagraphs under Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and other business activities that are within the scope of operations that entail rather higher risk from unethical conduct. For further information, please refer to the company's website at <a href="http://www.lingsen.com.tw/webc/html/investor/investor.aspx">http://www.lingsen.com.tw/webc/html/investor/investor.aspx</a> .	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	V		The company has detailed ethical management practices and measures to prevent unethical behaviors in the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct" and "Codes of Ethical Conduct". These practices and measures include operating procedures, code of conduct, education and training, whistleblowing procedures, and grievance and disciplinary procedures as well as their implementation.  These ethical corporate management policies are regularly reviewed and amended according to the latest laws and regulations. In addition, to remind our employees of their responsibilities, the company's ethical corporate management policies could be found in the company's website.  Meanwhile, Integrity, ethics regulations and penalties of violation are specified in the work rules, and employees are requested to comply.  The company treats any violation of integrity and ethical code incident seriously, including immediate dismissal, termination of business relationship, and judicial prosecution as appropriate.	

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2. Fulfill operations integrity policy			(1) To (5)	(1) ~ (5)
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	V		Before the business transaction, the company will perform a credit check and exclude those partners' with unethical records. The company also specifies terms of ethical conduct in its business agreements. Meanwhile, requests the suppliers to sign an affidavit letter, and no behaviors of improper gifts or commission payment. By the affidavit letter to ensure the fair and transparent commercial activities between the two parties. In addition, the company's correspondent financial institutions were legally registered and well-known commercial bank or securities-company, rights and obligations of both parties and the conditions of transactions were stated clearly inside the Credit Agreement.	No material differences
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		Corporate sustainability committee serves as the company's top governance body for sustainable development and reports to the Board of Directors annually. (Report date is NOV. 5, 2025).	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		Ethical Corporate Management is one part of corporate sustainability. For further information, please refer to the company's Website at <a href="http://www.lingsen.com.tw/webc/html/investor/investor.aspx">http://www.lingsen.com.tw/webc/html/investor/investor.aspx</a> .	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		The company strives to perform the responsibilities of supervising the corporate conduct and ethics compliance practice through the Audit Committee and the Compensation Committee and coordination with the Internal Audit Office. The Internal audit supervisor reports quarterly to the Board on Implementation status of internal audit executions. In addition, both the General Manager and CFO, with oversight from the Board, are responsible for the full, fair, accurate, timely, and understandable financial accounting and financial disclosure in reports and documents filed by the company with securities authorities and in all its public communications and disclosures.	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	V		<p>The company clearly specifies its conflict of interest policy in "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct" and "Codes of Ethical Conducts". The company has established appropriate statements and consultation channels based on relevant regulations.</p> <p>In order to implement the code of conduct to avoid conflict of interest, each employee is required to make "Integrity" declaration.</p> <p>In addition, the directors shall practice self-discipline and comply the prevent conflicts of interest regulations, which are specified in Article 15 of the "Rules of Procedure for Board of Directors Meetings".</p> <p>To fulfil the ethical corporate management policies, the company has implemented a sound accounting system and Internal controls. The Internal Auditor follows the results of risk assessments to devise audit plans, and regularly reviews compliance with the procedures and subsequently reports its audit findings to the Board. In addition, the CPAs audit the</p>	

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			<p>performance of the company's internal controls every year.</p> <p>Actual Practice of Implementing Ethical Corporate Management</p> <p>A. Hosting internal and external educational training on ethical corporate management. The company hosting internal and external educational training on ethical corporate management every year. The company disseminating internal educational training on ethical corporate management (including corporate culture; work rules and internal regulation; occupational safety and health; Ethical Corporate Management; Law Compliance; Related to privacy rights and other issues) in pre-jobtraining for new employees.</p> <ul style="list-style-type: none"> <li>• The accumulated training employees were 876 attendees with 2,630 hours of training duration in 2024.</li> <li>• The accumulated training employees were 546 attendees with 1,638 hours of training duration in 2025</li> </ul> <p>B. Conditions on education and disseminate of preventing insider trading</p> <p>The company provides education and disseminate document to current directors and managers. For example, by providing Q&amp;A Disseminate Handbook of insider trading for TWSE Listed Company. This allows the insider of the company understand the rules and comply it. In addition, internal regulations and procedures were made public on the company's external website for directors, managers and employees as reference.</p>	
3. Operation of the integrity channel			(1) To (3)	
(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		The company enacted the "Ethical Corporate Management Best Practice Principle" and "Codes of Ethical Conduct" to encourage the whistle-blower to report to the independent director, manager, internal audit manager with behaviours against the law or violates the "Codes of Ethical Conduct". In addition, there is a General Manager's Mailbox for a convenient whistle blowing channel and dedicated the appropriate responsible personnel.	No material differences
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V		<p>The company enacted "Whistleblower system for unethical conduct". Meanwhile, there is a business unit created specifically to handle such matter by following the appropriate and procedures.</p> <p>If found violation of business integrity by the company or any its employees or involvement in illegal activity, please refer to the company's website for the integrity channel.</p> <p>The company dedicated the responsible unit in according to the matters of reported and monitored by the audit personnel to ensure the relevant content is confidential.</p> <p>According to the company's "Whistleblower system for unethical conduct" state the handling will keep the whistle-blower information strictly confidential. A reasonable preventive and protective measure will be applied to protect the whistle-blower from inappropriate</p>	No material differences
(3) Does the company provide proper whistleblower protection?	V			No material differences

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			disciplinary action.	
4.Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	V		The company discloses our performance on the company website and in the annual reports. The Ethical Corporate Management Best Practice Principles are also on the company's website.	No material differences

5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation.

There have been no differences.

6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., reviews and amends its policies).

- (a) The company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act and related laws and regulations of listed company and other business behaviors. The company takes these laws and regulations as the basis of implementing ethical corporate management.
- (b) The Company's Rules of Procedure for Board Directors and Audit Committee Charter stated the Avoidance of Conflicts of Interest to the directors. Within the meeting items if consists of the conflict of interest related to his or her own or the legal person and with the concern of affecting the company's benefits, the director may make the statement and answering questions. However, the director may not join the discussion and voting, he or she shall avoid him-self or her-self, and may not act as a proxy as other directors to vote.
- (c) The company has implemented the "Material insider information procedures". The procedure require explicitly that director, managers and employees not disclose material insider information in their knowledge to other people, inquire or collect from persons with material insider information any undisclosed information unrelated to their duties, and not disclose to other people any undisclosed material insider information acquired not through performance of their duties.