

美時化學製藥股份有限公司

LOTUS PHARMACEUTICAL CO., LTD

誠信經營作業程序及行為指南

Procedures for Code of Business Conduct and Ethics

[English translation for reference only]

民國 108 年 7 月 8 日通過

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第一條（訂定目的及適用範圍）

本公司基於公平、誠實、守信、透明原則從事商業活動，為落實誠信經營政策，並積極防範不誠信行為，本公司依「美時商業行為道德規範」及其作業程序規定（下合稱「美時規範」）、「上市上櫃公司誠信經營守則」、及本公司及集團企業與組織之營運所在地相關法令，訂定本作業程序及行為指南，具體規範本公司人員於執行業務時應注意之事項。本作業程序及行為指南適用範圍及於本公司之子公司、直接或間接捐助基金累計超過百分之五十之財團法人及其他具有實質控制能力之機構或法人等集團企業與組織。

Article 1 (Purpose of adoption and scope of application)

This Corporation engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency. In order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Code of Business Conduct and Ethics (hereinafter, "Procedures") is adopted pursuant to the Lotus Code of Business Conduct and Ethics and its Standard Operating Procedure (collectively hereinafter, "Lotus CoC"), the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where this Corporation and its business groups and organizations operate, to set forth standards to be complied with by all personnel of the Company in the course of performing their work.

The scope of application of these Procedures includes the subsidiaries of this Corporation, any incorporated foundation in which this Corporation'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 this Corporation.

第二條（適用對象）

本作業程序及行為指南所稱本公司人員，係指本公司及集團企業與組織董事、經理人、受僱人、受任人及具有實質控制能力之人。

本公司人員藉由第三人提供、承諾、要求或收受任何不正當利益，推定為本公司人員所為。

Article 2 (Applicable subjects)

For the purposes of these Procedures, the term "personnel of this Corporation" refers to any director, managerial officer, employee, mandatary or person having substantial control, of this Corporation or its group enterprises and organizations.

Any provision, promise, request, or acceptance of improper benefits by any personnel of this Corporation through a third party will be presumed to be an act by the personnel of this Corporation.

第三條（不誠信行為）

本作業程序及行為指南所稱不誠信行為，係指本公司人員於執行業務過程，為獲得或維持利益，直接或間接提供、收受、承諾或要求任何不正當利益，或從事其他違反誠信、不法或違背受託義務之行為。

前項行為之對象，包括公職人員、參政候選人、政黨或黨職人員，以及任何公、民營企業或機構及其董事（理事）、經理人、受僱人、具有實質控制能力者或其他利害關係人。

Article 3 (Unethical conduct)

For the purposes of these Procedures, "unethical conduct" means that any personnel of this Corporation, 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, managerial officers, employees, persons having substantial control, or other interested parties.

第四條（利益態樣）

本作業程序及行為指南所稱利益，係指任何形式或名義之金錢、餽贈、禮物、佣金、職位、服務、優待、回扣、疏通費、款待、應酬及其他有價值之事物。

Article 4 (Types of benefits)

For the purposes of these Procedures, 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.

第五條（專責單位及職掌）

本公司指定法務部門為專責單位（以下簡稱本公司專責單位），辦理本作業程序及行為指南之修訂、執行、解釋、諮詢服務暨通報內容登錄建檔等相關作業及監督執行，主要職掌下列事項，並應定期（至少一年一次）向董事會報告：

- 一、協助將誠信與道德價值融入公司經營策略，並配合法令制度及美時規範訂定確保誠信經營之相關防弊措施。
- 二、定期分析及評估營業範圍內不誠信行為風險，訂定防範不誠信行為方案，並於美時規範或各方案內訂定工作業務相關標準作業程序及行為指南。
- 三、規劃內部組織、編制與職掌，對營業範圍內較高不誠信行為風險之營業活動，安置相互監督制衡機制。
- 四、誠信政策宣導訓練之推動及協調。
- 五、規劃檢舉制度，確保執行之有效性。
- 六、協助董事會及管理階層查核及評估落實誠信經營所建立之防範措施是否有效運作，並定期就相關業務流程進行評估遵循情形，作成報告。
- 七、製作及妥善保存誠信經營政策及其遵循聲明、落實承諾暨執行情形等相關文件化資訊。

Article 5 (Responsible unit and duties)

This Corporation shall designate the legal department as the solely responsible unit (hereinafter, "responsible unit") to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the board of directors:

1. Assisting in incorporating ethics and moral values into this Corporation'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 as well as Lotus CoC.
2. Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis, adopting local specific programs to prevent unethical conduct and setting out the standard operating procedures and conduct guidelines in Lotus CoC or such program with respect to this Corporation'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 whistle-blowing 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.

第六條（禁止提供或收受不正當利益）

本公司人員直接或間接提供、收受、承諾或要求第四條所規定之利益時，除有下列各款情形外，應符合「上市上櫃公司誠信經營守則」及本作業程序及行為指南之規定，並依相關程序辦理後，始得為之：

- 一、基於商務需要，於國內（外）訪問、接待外賓、推動業務及溝通協調時，依當地禮貌、慣例或習俗所為者。
- 二、基於正常社交禮俗、商業目的或促進關係參加或邀請他人舉辦之正常社交活動。
- 三、因業務需要而邀請客戶或受邀參加特定之商務活動、工廠參觀等，且已明訂前開活動之費用負擔方式、參加人數、住宿等級及期間等。
- 四、參與公開舉辦且邀請一般民眾參加之民俗節慶活動。
- 五、主管之獎勵、救助、慰問或慰勞等。
- 六、提供或收受親屬或經常往來朋友以外之人金錢、財物或其他利益，或他人對本公司人員之多數人為餽贈財物，合於社會一般規範或正常禮俗範圍內者。
- 七、因訂婚、結婚、生育、喬遷、就職、陞遷、退休、辭職、離職及本人、配偶或直系親屬之傷病、死亡受贈之財物，其市價應不超過正常社交禮俗習性之合理價值。
- 八、其他符合公司規定者。

Article 6 (Prohibition against providing or accepting improper benefits)

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 this Corporation shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures, 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. Money, property or other benefits offered to or accepted from a person other than relatives or friends, or gifts of property given by another party to the majority of the personnel of this Corporation, provided it complies with general social norms or normal customs.
7. Property with a market value not exceeding the reasonable range of normal social customary practices received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative.
8. Other conduct that complies with the rules of this Corporation.

第七條（收受不正當利益之處理程序）

本公司人員遇有他人直接或間接提供或承諾給予第四條所規定之利益，或美時規範中所明定之禮金、有價之物、或其他好處時，除有前條各款所訂情形外，應依下列程序辦理：

- 一、提供或承諾之人與其無職務上利害關係者，應於收受之日起一周內，陳報其直屬主管，必要時並知會本公司專責單位。
- 二、提供或承諾之人與其職務有利害關係者，應予退還或拒絕，並陳報其直屬主管及知會本公司專責單位；無法退還時，應於收受之日起一周內，交本公司專責單位處理。

前項所稱與其職務有利害關係，係指具有下列情形之一者：

- 一、具有商業往來、指揮監督或費用補（獎）助等關係者。
- 二、正在尋求、進行或已訂立承攬、買賣或其他契約關係者。
- 三、其他因本公司業務之決定、執行或不執行，將遭受有利或不利影響者。

本公司專責單位應視第一項利益之性質及價值，提出退還、付費收受、歸公、轉贈慈善機構或其他適當建議，陳報總經理核准後執行。

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 this Corporation are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 of these Procedures, or cash gift, anything of value, or other benefits as stipulated in Lotus CoC, 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 this Corporation's personnel, the personnel shall report to their immediate supervisor within 1 week from 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 this Corporation'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 1 week from 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 this Corporation's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (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 this Corporation's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of this Corporation shall make a proposal, based on the nature and value of the benefit under paragraph 1, 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 to and approved by the Chief Executive Officer.

第八條（禁止疏通費及處理程序）

本公司不得提供或承諾任何疏通費。

本公司人員如因受威脅或恐嚇而提供或承諾疏通費者，應紀錄過程陳報直屬主管，並通知本公司專責單位。

本公司專責單位接獲前項通知後應立即處理，並檢討相關情事，以降低再次發生之風險。如發現涉有不法情事，並應立即通報司法單位。

Article 8 (Prohibition of and handling procedure for facilitating payments)

This Corporation shall neither provide nor promise any facilitating payment.

If any personnel of this Corporation provides or promises 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.

第九條（政治獻金之處理程序）

本公司提供政治獻金，應依下列規定辦理，於陳報首長核准並知會本公司專責單位，其金額達新臺幣 500,000 元以上，應提報董事會通過後，始得為之：

- 一、應確認係符合政治獻金收受者所在國家之政治獻金相關法規，包括提供政治獻金之上限及形式等。
- 二、決策應做成書面紀錄。
- 三、政治獻金應依法規及會計相關處理程序予以入帳。
- 四、提供政治獻金時，應避免與政府相關單位從事商業往來、申請許可或辦理其他涉及公司利益之事項。

Article 9 (Procedures for handling political contributions)

Political contributions by this Corporation shall be made in accordance with the following provisions, reported to the supervisor in charge for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$500,000 or more, it shall be made only after being reported to and approved by the board of directors:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
2. A written record of the decision-making process shall be kept.
3. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of this Corporation with the related government agencies shall be avoided.

第十條（慈善捐贈或贊助之處理程序）

本公司提供慈善捐贈或贊助，應依下列事項辦理，於陳報首長核准並知會本公司專責單位，其金額達新臺幣 1,000,000 元以上，應提報董事會通過後，始得為之：

- 一、應符合營運所在地法令之規定。
- 二、決策應做成書面紀錄。
- 三、慈善捐贈之對象應為慈善機構，不得為變相行賄。

四、因贊助所能獲得的回饋明確與合理，不得為本公司商業往來之對象或與本公司人員有利益相關之人。

五、慈善捐贈或贊助後，應確認金錢流向之用途與捐助目的相符。

Article 10 (Procedures for handling charitable donations or sponsorships)

Charitable donations or sponsorships by this Corporation shall be provided in accordance with the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount is NT\$1,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where this Corporation 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 this Corporation's commercial dealings or a party with which any personnel of this Corporation 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.

第十一條（利益迴避）

本公司董事、經理人及其他出席或列席董事會之利害關係人對董事會所列議案，與其自身或其代表之法人有利害關係者，不得加入討論及表決，且討論及表決時應予迴避，並不得代理其他董事行使其表決權。董事間亦應自律，不得不當相互支援。

董事之配偶、二親等內血親，或與董事具有控制從屬關係之公司，就前項會議之事項有利害關係者，視為董事就該事項有自身利害關係。

本公司人員於執行公司業務時，發現與其自身或其所代表之法人有利害衝突之情形，或可能使其自身、配偶、父母、子女或與其有利害關係人獲得不正當利益之情形，應將相關情事同時陳報直屬主管及本公司專責單位，直屬主管應提供適當指導。

本公司人員不得將公司資源使用於公司以外之商業活動，且不得因參與公司以外之商業活動而影響其工作表現。

Article 11 (Recusal)

When a Company director, officer or other stakeholder attending or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting, that director,

officer or stakeholder 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 discipline among themselves, and may not support each other in an inappropriate manner.

Where the spouse, 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 this Corporation discovers 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 this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.

第十二條（保密機制之組織與責任）

本公司應設置處理專責單位，負責制定與執行公司之營業秘密、商標、專利、著作等智慧財產之管理、保存及保密作業程序，並應定期檢討實施結果，俾確保其作業程序之持續有效。

本公司人員應確實遵守前項智慧財產之相關作業規定，不得洩露所知悉之公司營業秘密、商標、專利、著作等智慧財產予他人，且不得探詢或蒐集非職務相關之公司營業秘密、商標、專利、著作等智慧財產。

Article 12 (Special unit in charge of confidentiality regime and its responsibilities)

This Corporation shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Corporation'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 this Corporation shall faithfully follow the operational directions 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 this Corporation of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of this Corporation unrelated to their individual duties.

第十三條（禁止從事不公平競爭行為）

本公司從事營業活動，應依公平交易法及相關競爭法規，不得固定價格、操縱投標、限制產量與配額，或以分配顧客、供應商、營運區域或商業種類等方式，分享或分割市場。

Article 13 (Prohibition against unfair competition)

This Corporation 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.

第十四條（防範產品或服務損害利害關係人）

本公司對於所提供之產品與服務所應遵循之相關法規與國際準則，應進行蒐集與瞭解，並彙總應注意之事項予以公告，促使本公司人員於產品與服務之研發、採購、製造、提供或銷售過程，確保產品及服務之資訊透明性及安全性。

本公司制定並於公司網站公開對消費者或其他利害關係人權益保護政策，以防止產品或服務直接或間接損害消費者或其他利害關係人之權益、健康與安全。

經媒體報導或有事實足認本公司商品、服務有危害消費者或其他利害關係人安全與健康之虞時，本公司應依衛生福利部所訂定藥物回收處理辦法中之對應藥品分類於一個月至六個月內回收該批產品或停止其服務，並調查事實是否屬實，及提出檢討改善計畫。

本公司專責單位應將前項情事、其處理方式及後續檢討改善措施，向董事會報告。

Article 14 (Prevention of damage caused by products and services to stakeholders)

This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation 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.

This Corporation 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 this Corporation's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, this Corporation shall, in compliance with Regulations for Medicament Recall issued by Ministry of Health and Welfare, depending on the class of the drug, within 1 to 6 months, recall those products or suspend the services, verify the facts and present a review and improvement plan. The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

第十五條（禁止內線交易及保密協定）

本公司人員應遵守證券交易法之規定，不得利用所知悉之未公開資訊從事內線交易，亦不得洩露予他人，以防止他人利用該未公開資訊從事內線交易。

參與本公司合併、分割、收購及股份受讓、重要備忘錄、策略聯盟、其他業務合作計畫或重要契約之其他機構或人員，應與本公司簽署保密協定，承諾不洩露其所知悉之本公司商業機密或其他重大資訊予他人，且非經本公司同意不得使用該資訊。

Article 15 (Prohibition against insider trading and non-disclosure agreement)

All Company personnel 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 party from using such information to engage in insider trading.

Any organization or person outside of this Corporation that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by this Corporation 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 this Corporation acquired as a result, and that they may not use such information without the prior consent of this Corporation.

第十六條（遵循及宣示誠信經營政策）

本公司應要求董事與高階管理階層出具遵循誠信經營政策之聲明，並於僱用條件要求受僱人遵守誠信經營政策。

本公司應於內部規章、年報、公司網站或其他文宣上揭露其誠信經營政策，並適時於產品發表會、法人說明會等對外活動上宣示，使其供應商、客戶或其他業務相關機構與人員均能清楚瞭解其誠信經營理念與規範。

Article 16 (Compliance and announcement of policy of ethical management)

This Corporation shall request 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.

This Corporation 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.

第十七條（建立商業關係前之誠信經營評估）

本公司與他人建立商業關係前，應先行評估代理商、供應商、客戶或其他商業往來對象之合法性、誠信經營政策，以確保其商業經營方式公平、透明且不會要求、提供或收受賄賂。

本公司進行前項評估時，可採行適當查核程序，就下列事項檢視其商業往來對象，以瞭解其誠信經營之狀況：

- 一、該企業之國別、營運所在地、組織結構、經營政策及付款地點。
- 二、該企業是否訂定誠信經營政策及其執行情形。
- 三、該企業營運所在地是否屬於貪腐高風險之國家。
- 四、該企業所營業務是否屬賄賂高風險之行業。
- 五、該企業長期經營狀況及商譽。
- 六、諮詢其企業夥伴對該企業之意見。
- 七、該企業是否曾涉有賄賂或非法政治獻金等不誠信行為之紀錄。

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, this Corporation 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.

When this Corporation carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
5. The long-term business condition and degree of goodwill of the enterprise.
6. Consultation with the enterprise's business partners on their opinion of the enterprise.
7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

第十八條（與商業對象說明誠信經營政策）

本公司人員於從事商業行為過程中，應向交易對象說明公司之誠信經營政策與相關規定，並明確拒絕直接或間接提供、承諾、要求或收受任何形式或名義之不正當利益。

Article 18 (Statement of ethical management policy to counterparties in commercial dealings)

Any personnel of this Corporation, when engaging in commercial activities, shall make a statement to the trading counterparty about this Corporation'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.

第十九條（避免與不誠信經營者交易）

本公司人員應避免與涉有不誠信行為之代理商、供應商、客戶或其他商業往來對象從事商業交易，經發現業務往來或合作對象有不誠信行為者，應立即停止與其商業往來，並將其列為拒絕往來對象，以落實公司之誠信經營政策。

Article 19 (Avoidance of commercial dealings with unethical operators)

All personnel of this Corporation 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 for any further business interaction in order to effectively implement this Corporation's ethical management policy.

第二十條（契約明訂誠信經營）

本公司與他人簽訂契約時，應充分瞭解對方之誠信經營狀況，並將遵守本公司誠信經營政策納入契約條款，於契約中至少應明訂下列事項：

- 一、任何一方知悉有人員違反禁止收受佣金、回扣或其他不正當利益之契約條款時，應立即據實將此等人員之身分、提供、承諾、要求或收受之方式、金額或其他不正當利益告知他方，並提供相關證據且配合他方調查。一方如因此而受有損害時，得向他方請求損害賠償，並得自應給付之契約價款中如數扣除。
- 二、任何一方於商業活動如涉有不誠信行為之情事，他方得隨時無條件終止或解除契約。
- 三、訂定明確且合理之付款內容，包括付款地點、方式、需符合之相關稅務法規等。

Article 20 (Stipulation of terms of ethical management in contracts)

Before entering into a contract with another party, this Corporation 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 this Corporation part of the terms and conditions of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other

improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim for damages, and may also deduct the full amount of the damages from the contract price payable.

2. 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.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

第二十一條（公司人員涉不誠信行為之處理）

本公司鼓勵內部及外部人員檢舉不誠信行為或不當行為，內部人員如有虛報或惡意指控之情事，應予以紀律處分，情節重大者應予以革職。

本公司於公司網站及內部網站建立並公告內部獨立檢舉信箱 lotus.speakup@lotuspharm.com，供本公司內部及外部人員使用。

檢舉人應至少提供下列資訊：

- 一、檢舉人之姓名、身分證號碼及可聯絡到檢舉人之地址、電話、電子信箱。
- 二、被檢舉人之姓名或其他足資識別被檢舉人身分特徵之資料。
- 三、可供調查之具體事證。

本公司處理檢舉情事之相關人員應以書面聲明對於檢舉人身分及檢舉內容予以保密，本公司並承諾保護檢舉人不因檢舉情事而遭不當處置。

並由本公司專責單位依下列程序處理：

- 一、檢舉情事涉及一般員工者應呈報至部門主管，檢舉情事涉及董事或高階主管，應呈報至獨立董事。
- 二、本公司專責單位及前款受呈報之主管或人員應即刻查明相關事實，必要時由法規遵循或其他相關部門提供協助。
- 三、如經證實被檢舉人確有違反相關法令或本公司誠信經營政策與規定者，應立即要求被檢舉人停止相關行為，並為適當之處置，且必要時透過法律程序請求損害賠償，以維護公司之名譽及權益。
- 四、檢舉受理、調查過程、調查結果均應留存書面文件，並保存五年，其保存得以電子方式為之。發生與檢舉內容相關之訴訟時，相關資料應續予保存至訴訟終結止。
- 五、對於檢舉情事經查證屬實，應責成本公司相關單位檢討相關內部控制制度及作業程序，並提出改善措施，以杜絕相同行為再次發生。

六、本公司專責單位應將檢舉情事、其處理方式及後續檢討改善措施，定期向董事會報告。

Article 21 (Handling of unethical conduct by personnel of this Corporation)

This Company encourages insiders and outsiders to inform unethical or unseemly conduct. 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.

This Corporation shall internally establish and publicly announce on its website and the intranet of the independent mailbox lotus.speakup@lotuspharm.com, for Company insiders and outsiders to submit reports.

A whistleblower shall at least furnish the following information:

1. the whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached.
2. the informed party's name or other information sufficient to distinguish its identifying features.
3. specific facts available for investigation.

Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing. The responsible unit of this Corporation shall observe the following procedure:

1. An information shall be reported to the department head if involving the rank and file and to an independent director if involving a director or a senior executive.
2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Corporation will 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, the relevant information shall continue to be retained until the conclusion of the litigation.
5. With respect to a confirmed information, this Corporation 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 this Corporation shall submit to the Board of Directors regular report(s) on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

第二十二條（他人對公司從事不誠信行為之處理）

本公司人員遇有他人對公司從事不誠信行為，其行為如涉有不法情事，公司應將相關事實通知司法、檢察機關；如涉有公務機關或公務人員者，並應通知政府廉政機關。

Article 22 (Actions upon event of unethical conduct by others towards this Corporation)

If any personnel of this Corporation discovers that another party has engaged in unethical conduct towards this Corporation, and such unethical conduct involves alleged illegality, this Corporation shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, this Corporation shall additionally notify the governmental anti-corruption agency.

第二十三條（內部宣導、建立獎懲、申訴制度及紀律處分）

本公司專責單位應每年舉辦一次內部宣導，安排董事長、總經理或高階管理階層向董事、受僱人及受任人傳達誠信之重要性。

本公司得將誠信經營納入員工績效考核與人力資源政策中，本公司對於本公司人員違反誠信行為情節重大者，應依相關法令或依公司人事辦法予以解任或解雇。

Article 23 (Internal awareness sessions and establishment of a system for rewards, penalties, and complaints, and related disciplinary measures)

The responsible unit of this Corporation might organize 1 awareness session each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

This Corporation might link ethical management to employee performance evaluations and human resources policy. If any personnel of this Corporation seriously violates ethical conduct, this Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Corporation.

第二十四條（施行）

本作業程序及行為指南經董事會決議通過實施，並提報股東會報告；修正時亦同。

本作業程序及行為指南提報董事會討論時，應充分考量各獨立董事之意見，並將其反對或保留之意見，於董事會議事錄載明；如獨立董事不能親自出席董事會表達反對或保留意見者，除有正當理由外，應事先出具書面意見，並載明於董事會議事錄。

Article 24 (Enforcement)

These Procedures, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be reported to the shareholders meeting.

When these Procedures are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a 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 minutes of the board of directors meeting.