

**Fulfillment of ethical corporate management and deviation from the “Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies”**

Evaluation Items	Implementation Status		Abstract Illustration	Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reason(s)
	Yes	No		
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(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 policies?</p> <p>(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 scopes 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”?</p>	<p>✓</p> <p>✓</p>		<p>Based on the business philosophy of honesty, transparency and responsibilities of the Company, Delta has established an “Ethical Corporate Management Best Practice Principles” approved by the Board of Directors to set up a good operation mode with clear establishment of integrity policies. Besides, all board members must sign the declaration statement on ethical corporate management, which expects and requires the board and senior management to actively implement the ethical corporate management policy into internal management and business activities. The principles are detailed in the Corporate Governance section under Investors on the Company’s website. The implementation of ethical corporate management for this year is also disclosed in ESG report as well.</p> <p>The Company has set up risk assessment mechanisms for unethical behavior.</p> <ul style="list-style-type: none"> <li>● The Company set up “Risk Assessment and Prevention Plan for Ethical Corporate Management” to implement its ethical corporate management policy, to set up risk control mechanism, to regularly analyze and evaluate business activities with higher risk of dishonest conduct within the scope of business and to strengthen relevant preventive measures in order to reduce existing and potential risks.</li> <li>● The Company created the Risk Assessment form for Ethical Corporate Management and requested business and functional units to conduct annual risk assessments, while taking internal and external audit records into account; there were a total of 34 Risk Assessment forms (100% response rate) completed in 2021 with corresponding control measures drafted and implemented, including requests for employees to familiarize themselves with relevant laws and internal regulations of the Company, as well as regular monitoring with regard to illegal use of non-authorized software, etc.</li> <li>● The Prevention Program established by the Company includes preventive measures against the following : <ul style="list-style-type: none"> <li>a. Offering and acceptance of bribes.</li> <li>b. Illegal political donations</li> </ul> </li> </ul>	<p>Compliance with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies</p>

Evaluation Items	Implementation Status		Abstract Illustration	Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reason(s)
	Yes	No		
(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?	✓		<p>c. Improper charitable donations or sponsorship</p> <p>d. Offering or acceptance of unreasonable presents or hospitality, or other improper Benefits</p> <p>e. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights</p> <p>f. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services</p> <p>g. Prohibition of unfair competition</p> <ul style="list-style-type: none"> <li>● "Delta Group Code of Conduct" expressly states that Delta members should abide by all applicable anti-bribery and anti-corruption regulations, expressly refuse to offer or accept any form of illegitimate benefits, and avoid dealing with business partners who operate dishonestly. Illegal political donations shall not restrict or impede fair competition or infringe intellectual property rights by unfair means. Charitable donations or sponsorships shall comply with the "Management Procedures for Handling Charitable Donations or Sponsorships".</li> <li>● Article 8 of "Delta Corporate Social Responsibility Best Practice Principles" reveals the non-tolerance of bribery or corruption and avoidance of engaging in unfair competition.</li> </ul> <p>The Company has stated operation procedures, behavioral guidelines, punishment for violation, and complaint system in the prevent plan for unethical behavior.</p> <ul style="list-style-type: none"> <li>● "Delta Group Code of Conduct" to set the standard operating procedures and behavioral guidelines for all stakeholders of the Company, as a commitment to implementing its integrity management policy.</li> <li>● "Policy of whistle blowing system" for employees and relevant whistleblowers to report any illegal or violation of code of conduct or integrity management behaviors to assure the legal rights of the whistleblowers and relevant persons.</li> <li>● "Policy of rewards and punishments" state the punishments for violating "Ethical Corporate Management Best Practice Principles" and "Delta Group Code of Conduct".</li> </ul>	

Evaluation Items	Implementation Status		Abstract Illustration	Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reason(s)
	Yes	No		
			<ul style="list-style-type: none"> <li>Regularly review and revise the above-mentioned relevant measures according to the implementation status, so as to prevent dishonest behaviors. This year, the penalties for information security and personal information leakage were revised according to the severity of the violation, and an easy-to-remember e-mail for reporting complaints was added. Reporting via email for employees and other stakeholders: HR.GRIEVANCE@deltaww.com; HR885@deltaww.com Reporting via email for suppliers: 885@deltaww.com</li> </ul> <p>Policies mentioned above can be found in the Human Resources section of the Company's internal website or the Corporate Governance section under Investors of the Company website.</p>	
<p>2. Implementation of ethical corporate management</p> <p>(1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p>	✓		<p>The Company has implemented integrity record assessment of the business partners.</p> <ul style="list-style-type: none"> <li>"Delta Group Code of Conduct" clearly regulates the following principles: <ul style="list-style-type: none"> <li>Before establishing business relationships with others, the Company shall evaluate the legitimacy, integrity, and operational policy of the other entities, and whether there are any records of dishonesty, to ensure that the business operations of such entities promote integrity as well as transparency, and will not demand, offer or receive bribes.</li> <li>When the Company interacts with others, it should fully understand the integrity of the other party's business status, and strive to incorporate the principle of integrity into the contract. If any party's business activities involve dishonesty, it should immediately inform and cooperate with the investigation, and the other party may unconditionally suspend or cancel the contract at any time.</li> </ul> </li> <li>The Company takes the "Delta Supplier Code of Conduct" as an important guideline to implement ethical corporate management in supply chain management: <ul style="list-style-type: none"> <li>In addition to product liability and confidentiality clauses, the procurement contract has also incorporated clauses in the Supplier Code of Conduct-Responsible Business Alliance Code of Conduct aspects, environmental protection, conflict minerals, fair competition and antitrust, etc.</li> <li>Carry out hierarchical management of continuously trading suppliers, and conduct regular supplier ESG questionnaires to investigate their potential risks in labor, health and safety, environment, integrity and ethics, and management systems, and identify high-risk suppliers for systematic tracking, auditing and requirements for improvement.</li> </ul> </li> </ul>	Compliance with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies

Evaluation Items	Implementation Status		Abstract Illustration	Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reason(s)
	Yes	No		
(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?	✓		In order to have a complete understanding of ethical management, the HR Department and Legal/IP Department have been tasked to develop the ethical management policy, which is supervised by the Audit Department. The HR Department will promote and report the supervision and implementation status of the ethical management policy and unethical behavior prevention plan to the Board of Directors once a year. The Human Resources Department reported the 2021 implementation of ethical corporate management to the Board of Directors on February 24, 2022.	
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		<ul style="list-style-type: none"> <li>● In order to prevent conflicts of interest, the Company has formulated the "Delta Group Code of Conduct" to identify, monitor and manage the risks of dishonest behaviors that may result from conflicts of interest. The measures stipulate that Delta members should avoid conflicts of interest related to their positions, and shall not engage in any business, investment or activities that may conflict with the interests of Delta Group. In addition, appropriate channels are provided internally for directors, managers and other stakeholders to voluntarily declare whether they have a potential conflict of interest with the Company.</li> <li>● Article 15 of the "Rules and Procedures of the Meeting of the Board of Directors" and Article 31 of the "Corporate Governance Best Practice Principles" state the regulations of directors' conflicts of interest and the strict prohibition of improper channeling of profits between the Company's stakeholders and shareholders based on the principles of fairness and reasonableness.</li> <li>● The operations of related party transactions, insider trading and the mechanisms for handling and disclosure of major internal information are regulated respectively in "Internal Control Procedures for Related Party Transactions", "Control Procedures for Preventing Insider Trading", and "Procedures for Handling Material Inside Information".</li> </ul>	

Evaluation Items	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reason(s)
	Yes	No	Abstract Illustration	
(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 accordingly to prevent unethical conduct, or hire outside CPAs to perform the audits?	✓		<ul style="list-style-type: none"> <li>● In order to implement the code of conduct to avoid conflict of interest, each new employee is required to make a conflict of interest declaration upon arrival at work, and existing employees are reminded to make the declaration in the annual announcement. 156 employees completed the declaration voluntarily this year (153 employees declared their internal relationships with friends and relatives, and 3 employees reported their own or their relatives' participation in the Company's business transactions).</li> <li>● The financial reports of the Company are prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, and interpretations approved by the Financial Supervisory Commission.</li> <li>● The design and execution of internal control is assessed based on the "Regulations Governing Establishment of Internal Control System by Public Companies" with self-monitoring mechanism.</li> <li>● The Company's Audit Department will be taking necessary assessment based on the materiality risk assessment of unethical behavior results. For example: make related audit plans which include audit objects, scope, items, frequency, etc., and verify compliance with the prevention plan. CPAs or other professionals will be appointed to conduct audits if necessary. Relevant results will be reported to top management and the responsible unit for integrity, and an audit report will be furnished to the Board of Directors.</li> </ul>	
(5) Does the Company regularly hold internal and external educational trainings on ethical corporate management?	✓		<p>The Company's HR Department arrange relevant training to implement ethical corporate management:</p> <ul style="list-style-type: none"> <li>● New employees are required to participate in the orientation training for newcomers related to integrity corporate management. All employees return to the integrity corporate management/code of conduct/human rights policy publicity course through online courses every year, including instructions on the prohibition of insider trading and internal material information handling procedures, etc. The Company also holds physical ethical corporate management courses from time to time. In 2021, a total of 79,943 people in Delta Group globally participated in online training courses related to the topics mentioned above with a training completion rate of 96.1%.</li> </ul>	

Evaluation Items	Implementation Status		Abstract Illustration	Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies" and Reason(s)
	Yes	No		
			<ul style="list-style-type: none"> <li>● Regularly review and adjust the content of the training courses to strengthen the promotion of preventing dishonest behavior. In the 2021, an online course was produced in combination with the Company's ethical corporate management, code of conduct and human rights policy, and it was listed as an annual compulsory course for in-service colleagues to strengthen the awareness for dishonest behavior with practical cases.</li> <li>● The Company's publicity related to ethical corporate management operations include: listing honesty and integrity as a value and ability assessment item in employee performance evaluation, publishing an annual announcement on the regulation of conflict of interest avoidance and reminding colleagues to take the initiative to fill in the declaration form, and conducting ethical corporate management risk assessment with each unit every year.</li> <li>● For suppliers, the Company refers to the Responsible Business Alliance Code of Conduct as the main framework, and promotes suppliers to practice sustainable development through major aspects such as labor, occupational safety and health, environment, ethics and management systems. Based on the "Delta Supplier Code of Conduct", education and training materials are provided and supplier's commitment to integrity are signed.</li> </ul>	
<p>3. Operation of the whistle-blowing system of the Company</p> <p>(1) Does the Company establish both a practical reward and whistle-blowing systems, integrity hotline and appropriate personnel in charge to the reported object?</p>	✓		<p>"Delta Group Code of Conduct" and "Delta Group Management Measures of the Whistle-blowing System" state and set up a reporting channel for employees, suppliers, and other external stakeholders. Managed by designated personnel, the reporting system is for disclosing matters or violations against human rights, behavior principles, or ethical corporate management principle. In addition to reporting to the head of the unit in which the member belongs to, as well as to the head of the Audit Department, head of the HR Department or head of the Legal/IP Department, a report can also be sent through the Company's local email address. If any whistle-blowing case is confirmed true and has made a significant contribution or resulted in financial effectiveness, the whistle-blower will be rewarded appropriately.</p> <p>Reporting via email for employees and other stakeholders:  HR.GRIEVANCE@deltaww.com ; HR885@deltaww.com  Reporting via email for suppliers: 885@deltaww.com</p>	Compliance with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies

<p>(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?</p>	<p>✓</p>	<p>"Delta Group Management Measures of the Whistle-blowing System" states the procedures as follows:</p> <ul style="list-style-type: none"> <li>● The whistle-blower or the deputy person shall submit report in writing or verbally with specific fact and sufficient information of the alleged behavior or events against human rights, behavior principles or ethical corporate management. Delta members may choose to remain anonymous when reporting a violation of another member. However, the Company encourages Delta members to provide their identity when making a report to facilitate communication and investigation.</li> <li>● The whistle-blowing case shall be closed within one month and may be extended for one month if necessary. In the conclusion of the case, the whistle-blower shall be replied to through the "Reply Form for Whistle-blowing Event", unless the whistle-blower does not provide any contact information nor respond. If the whistle-blower is not satisfied with the resolution, he or she may fill out the "Record Form of Whistle-blowing Event" within 10 days from the date of receiving the reply and provide new reasons and new evidence with facts. It shall then be handled by another handling unit rather than the first handling unit and be appointed by CEO of the Company. Any application for reconsideration is limited to one time.</li> <li>● Any whistle-blowing case confirmed by a resolution, the Company will handle it in accordance with laws and related disciplinary regulations of the Company. Per the investigation, if any material violation is identified or is likely to cause serious damage to the Company, the handling unit shall report the case to the Audit Committee.</li> <li>● The whistle-blower and related personnel responsible for handling the case shall be responsible for confidentiality and preventing the whistle-blower from being treated unfairly, retaliated against or threatened. Violators shall be punished in accordance with the local disciplinary regulations.</li> </ul>		
<p>(3) Does the Company take measures to protect whistle-blowers from being mistreated due to whistleblowing?</p>	<p>✓</p>	<p>"Delta Group Code of Conduct" and "Delta Group Management Measures of the Whistle-blowing System" state the whistle-blower may choose to remain anonymous. The handling unit will keep the whistle-blower information strictly confidential, and will only disclose it to specific persons when the investigation is necessary. A reasonable preventive and protective measure will be applied to protect the whistle-blower from revenge or mistreatment.</p>		

Evaluation Items	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and Reason(s)
	Yes	No	Abstract Illustration	
<p>4. Strengthening information disclosure</p> <p>Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?</p>	✓		The “Ethical Corporate Management Best Practice Principles”, “Code of Conduct” and “Corporate Social Responsibility Best Practice Principles” are disclosed on the Company's website in the Corporate Governance section under Investors. In addition, relevant and reliable information on ethical management is also disclosed in the annual report and Delta ESG Report.	Compliance with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies
<p>5. If the Company has established its ethical corporate management policies in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies”, please describe any discrepancy between the policies and their implementation: Compliance with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies</p>				
<p>6. Other important information to facilitate a better understanding of the Company's ethical corporate management practices: (i.e., the status of the Company's efforts to review and amend the ethical corporate management practices): None.</p>				