

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

Evaluation Items	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and Reason(s)
	Yes	No	Summary	
<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>Based on the business philosophy of honesty, transparency and responsibility of the Company, Delta's Board of Directors has approved the establishment of the “Ethical Corporate Management Best Practice Principles” to set up a good operation mode with clear establishment of integrity policies. Besides, all board members must sign the 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 the year is also disclosed in the ESG Report as well.</p> <p>The Company has set up risk assessment mechanisms for unethical behavior.</p> <ul style="list-style-type: none"> ● The Company has set up the risk assessment and prevention plan for ethical corporate management to implement its ethical corporate management policy, set up a risk control mechanism, regularly analyze and evaluate business activities with higher risk of dishonest conduct within the scope of business, and strengthen relevant preventive measures in order to reduce existing and potential risks. ● The Company has created the Risk Assessment Form for Ethical Corporate Management and requested its business and functional units to conduct annual risk assessments, while taking internal and external audit records into account. A total of 38 Risk Assessment Forms (100% response rate) were completed in 2023 with corresponding control measures drafted and implemented, including requiring the 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. ● The Prevention Program established by the Company includes preventive measures against the following: <ul style="list-style-type: none"> a. Offering and acceptance of bribes. b. Illegal political donations c. Improper charitable donations or sponsorship d. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits 	Compliant with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies

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(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>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, manufacturing, provision, or sale of products and services</p> <p>g. Prohibition of unfair competition</p> <ul style="list-style-type: none"> ● "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, nor shall they offer illegal political donations, 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." ● Article 8 of the "Delta Corporate Social Responsibility Best Practice Principles" declares the non-tolerance of bribery or corruption and avoidance of engaging in unfair competition. <p>The Company has stated the operating procedures, behavioral guidelines, punishment for violation, and complaint system in the unethical behavior prevention scheme.</p> <ul style="list-style-type: none"> ● The "Delta Group Code of Conduct" sets the standard operating procedures and behavioral guidelines for all stakeholders of the Company, as a commitment to implementing its ethical corporate management policy. ● The "Whistleblowing System Management Regulations" for employees and relevant whistleblowers to report any illegal or violation of code of conduct or ethical corporate management behaviors to ensure the legal rights of the whistleblowers and relevant persons. ● The "Policy of Rewards and Punishments" states the punishments for violating the "Ethical Corporate Management Best Practice Principles" and the "Delta Group Code of Conduct." ● Regularly review and revise the above-mentioned relevant measures based on the implementation status, so as to prevent dishonest behaviors. This year, certain internal regulations the policy of whistleblowing system were reviewed and revised based on practical and operational needs. <p>The aforementioned regulations are disclosed in the Corporate Governance section under Investors on the Company's website.</p>	

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<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 adequately implements integrity record assessment of its business partners.</p> <ul style="list-style-type: none"> ● The "Delta Group Code of Conduct" clearly regulates the following principles: <ul style="list-style-type: none"> a. 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. b. When the Company interacts with others, it should fully understand the status of the other party's ethical corporate management, 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 terminate or cancel the contract at any time. ● Using the "Delta Supplier Code of Conduct" as an important guideline, the Company adequately implements ethical corporate management in supply chain management: <ul style="list-style-type: none"> a. 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. b. Hierarchical management of continuously trading suppliers is carried out, and regular supplier ESG questionnaires are conducted 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. 	Compliant with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies
<p>(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</p>	√		<p>In order to improve the ethical corporate management, the Company established the Ethical Management Committee as a dedicated unit to promote the ethical corporate management of the Company, as approved by resolution of the Board of Directors on October 27, 2022. The Ethical Management Committee shall report to the Board of Directors annually on the Ethical management policy, the unethical behavior prevention scheme, and its implementation status. On February 29, 2024 the Ethical Management Committee reported to the Board of Directors on the implementation of the Company's ethical corporate management policy in year 2023.</p>	

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<p>year) to the Board of Directors while overseeing such operations?</p> <p>(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p>	√		<ul style="list-style-type: none"> ● 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 regulations expressly 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. ● Article 15 of the "Rules and Procedures of the Meeting of 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. ● The operations of related party transactions, insider trading and the mechanisms for handling and disclosure of material inside information are regulated respectively in the "Rules Governing Financial and Business Matters Between the Company and its Related Parties", the "Delta Group Code of Conduct", and the "Procedures for Handling Material Inside Information." ● 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 reporting to work, and existing employees are reminded to make the declaration in the annual announcement. 243 employees completed the declaration voluntarily in 2023 (236 employees declared the names of their friends and relatives inside the company, and 7 employees reported their own or their relatives' participation in the Company's business transactions). If a conflict of interest relationship is not reported in accordance with the Company's regulations, the Company will impose penalties in accordance with the Regulations on Reward and Punishment depending on the severity of the situation. 	
<p>(4) Does the Company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow</p>	√		<ul style="list-style-type: none"> ● The Company has established efficient accounting policies and internal control system. The financial reports of the Company are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations, and the announcements of the interpretations approved by the Financial Supervisory Commission. 	

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<p>the results of unethical conduct risk assessments accordingly to prevent unethical conduct, or hire outside CPAs to perform the audits?</p> <p>(5) Does the Company regularly hold internal and external educational trainings on ethical corporate management?</p>	√		<ul style="list-style-type: none"> ● The design and effectiveness of implementation of the internal controls of the Company is determined based on the "Regulations Governing Establishment of Internal Control System by Public Companies" and is supported by a self-monitoring mechanism. Internal auditors regularly inspect the compliance with the internal control system, including its adherence to measures preventing unethical conduct. Through self-evaluation procedures, we ensure the effectiveness of our internal control systems, which serves as the basis for issuing the Internal Control System Statement. ● The Company's 2023 audit plan, assessment of the effectiveness of the internal control systems, and Internal Control System Statement were submitted to the Board of Directors for approval on October 27, 2022, and February 29, 2024, respectively. The 2024 audit plan was submitted to the Board of Directors for approval on October 31, 2023. Meanwhile, the assessment of the effectiveness of the internal control systems and the Internal Control System Statement for the fiscal year 2024 will be submitted for approval by the Board of Directors in 2025. <p>The Company's HR Department arrange relevant trainings to promote the implementation of ethical corporate management:</p> <ul style="list-style-type: none"> ● New employees are required to participate in the orientation training for newcomers related to ethical corporate management. All employees return to the ethical corporate management/code of conduct/human rights policy advocacy course through our online education platform every year, including explanations 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 2023, a total of 30,778 people in the Delta Group participated in online training courses related to the topics mentioned above with an aggregate total of 14,164 hours and a training completion rate of 97.1%. ● Regularly review and adjust the content of the training courses to strengthen the advocacy of preventing dishonest behavior. Since 2023, the Company, under the scope of Delta Electronics Inc. in Taiwan (including every functional unit with headquarters functions), has introduced the ISO 37001 standard, optimizing the relevant management mechanisms for anti-corruption and anti-bribery. Therefore, all employees in each unit within the verification scope have completed the ISO 37001 anti-bribery management system operational mechanism education and training to meet the requirement, enhancing understanding of anti-corruption and anti-bribery measures and preventing dishonest behavior. ● The Company's advocacy efforts related to ethical corporate management operations include: listing honesty and integrity as a value and ability assessment item in employee performance 	

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			<p>evaluation, publishing an annual announcement on the regulations of conflict of interest recusal 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.</p> <ul style="list-style-type: none"> For suppliers, the Company refers to the Code of Conduct - Responsible Business Alliance (RBA) as the main framework, and pushes the suppliers to practice sustainable development in 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. 																														
<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>The "Delta Group Code of Conduct" and the "Delta Group Management Measures of the Whistle-blowing System" stipulate the set up of a reporting channel for employees, suppliers, and other external stakeholders. Managed by designated personnel, the reporting system is for reporting matters or violations against human rights, behavior principles, or ethical corporate management principles. 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 significant financial benefits, the whistle-blower will be rewarded appropriately.</p> <table border="1"> <thead> <tr> <th colspan="3">Whistle-blowing email and channels</th> </tr> <tr> <th>Event Type</th> <th>Handling Unit</th> <th>Email of Handling Unit</th> </tr> </thead> <tbody> <tr> <td>Report management team incidents</td> <td>Audit and Risk Committee</td> <td>AC885@deltaww.com</td> </tr> <tr> <td>Report incidents of fraud, corruption, and bribery</td> <td>Ethical Corporate Management Committee</td> <td>885@deltaww.com</td> </tr> <tr> <td rowspan="6">Other violations of Code of Conduct</td> <td>HR/ Taiwan</td> <td>HR885@deltaww.com</td> </tr> <tr> <td>HR/ China</td> <td>HR885.CN@deltaww.com</td> </tr> <tr> <td>HR/ America</td> <td>HR885.DAL@deltaww.com</td> </tr> <tr> <td>HR/ EMEA</td> <td>HR885.EMEA@deltaww.com</td> </tr> <tr> <td>HR/ SEA</td> <td>HR885.SEA@deltaww.com</td> </tr> <tr> <td>HR/ NEA</td> <td>HR885.NEA@deltaww.com</td> </tr> <tr> <td></td> <td></td> <td>HR/ India</td> <td>HR885.DIN@deltaww.com</td> </tr> </tbody> </table> <p>The management team refers to here are defined as the first level in the</p>	Whistle-blowing email and channels			Event Type	Handling Unit	Email of Handling Unit	Report management team incidents	Audit and Risk Committee	AC885@deltaww.com	Report incidents of fraud, corruption, and bribery	Ethical Corporate Management Committee	885@deltaww.com	Other violations of Code of Conduct	HR/ Taiwan	HR885@deltaww.com	HR/ China	HR885.CN@deltaww.com	HR/ America	HR885.DAL@deltaww.com	HR/ EMEA	HR885.EMEA@deltaww.com	HR/ SEA	HR885.SEA@deltaww.com	HR/ NEA	HR885.NEA@deltaww.com			HR/ India	HR885.DIN@deltaww.com	Compliant with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies
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(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>“Organizational Management Measures”, including Chairman, Vice-Chairman, CEO, and COO of Delta headquarters</p> <p>The “Delta Group Whistleblowing System Management Regulations” stipulates the following procedures:</p> <ul style="list-style-type: none"> ● The whistle-blower or his/her agent shall submit a compliant in writing or verbally with specific fact and sufficient information of the alleged behavior or incidents against human rights, behavior principles or ethical corporate management. Delta members may choose to remain anonymous when reporting a violation of another member but they should still provide necessary information to facilitate communication and investigation. ● The whistle-blowing case shall be closed within three months and may be extended for one month upon approval from the supervisor 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, no responds or report anonymously. 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. The case shall then be handled by another handling unit rather than the first handling unit, which would be designated by the CEO of the Company. Only one application for reconsideration is allowed. ● The Company will handle any whistle-blowing case confirmed by investigation in accordance with laws and related disciplinary regulations of the Company. 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 and Risk Committee. <p>The parties involved in the whistle-blower case and related personnel responsible for handling the case are obliged to keep it confidential and prevent the whistle-blower from being treated unfairly, retaliated against or threatened. Violators shall be punished in accordance with the Company’s disciplinary regulations.</p>	
(3) Does the Company take measures to protect whistle-blowers from being mistreated due to whistleblowing?	√		<p>The “Delta Group Code of Conduct” and the “Delta Group Whistleblowing System Management Regulations” expressly stipulate that 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 to meet investigation needs. Meanwhile, reasonable preventive and protective measures will be applied to protect the whistle-blower from revenge or mistreatment.</p>	
4. Strengthening information disclosure Does the Company disclose its ethical corporate	√		<p>The “Ethical Corporate Management Best Practice Principles”, the “Code of Conduct”, the “Corporate Social Responsibility Best Practice Principles”</p>	Compliant with Ethical Corporate Management Best Practice Principles for

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management policies and the results of its implementation on the Company's website and MOPS?			and the "Implementation of Ethical Corporate Management" are disclosed on the Company's website in the Corporate Governance section under Investors. In addition, relevant and reliable information on ethical corporate management is also disclosed in the annual report and the 2023 Delta ESG Report.	TWSE/ TPEX Listed Companies
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: Compliant with Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies.				
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.				