

Pili International Multimedia Co., Ltd.

Offense reporting system

Article 1 Purpose and Basis

To establish a reporting system for the Company's internal and external individuals and a mechanism to handle reports by or against them. It is an effort to realize the Company's ethical management policy and philosophy and protect the rights of whistle-blowers and associated individuals. The system is based on Article 23 of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Article 28.2 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2: Applicable scope

The system applies to the Company and its subsidiaries. It covers internal units and individuals as well as associated external units and individuals.

Article 3: Reportable offenses

- I. Any violation of laws or regulations abided by the Company, its policies, systems or ethical management principles and moral standards.
- II. Any conduct that harms or may harm the Company's interests and rights, such as fraud, misappropriation of the Company's assets and illicit profits.

Article 4: Accepting unit

- I. Accepting a case and putting it on record: general management office, legal department or audit office.
- II. Inquiry: Chairperson of the board assigns personnel or establishes a task force to take a probe into the case depending on the nature of it.

Article 5: Reporting channels

Reports may be made by mail, email or phone. Choose one from the three options.

- I. Mailing address: 32F, Building C, No. 95, Xintai 5th Rd., Xizhi District, Taipei City (to Chief of Management Center, Legal Department or Audit Office).
- II. Email address: public@pili.tw (an email account of the Company specially for receiving reports.)
- III. Direct line for reporting: the hotline 02-8978-3868 or 02-8978-0555 (to Chief of Management Center at extension 1868 , Legal Department at extension 1102, or Audit Office at extension 1901).

Article 6 Conditions of reporting

A whistle-blower should provide the following information at a minimum:

- I. His/her name and contact numbers, email or mailing addresses that can actually reach him/her.
- II. Name of the individual being reported against or any information that can be used to identify that person.
- III. Reasons for making the report and evidence that can support the launch of a probe. Be specific in describing details such as the who, the what, the when and

the where.

Article 7: Handling procedures

- I. Accepting and establishing a case
 - (I) Staff specially assigned for the job should establish the case upon the acceptance.
 - (II) Upon the acceptance of the case, the staff shall identify if all the following conditions are met by the case: 1. whistle-blower's name and contacts; 2. the name of or other features or information sufficient to identify the alleged; and 3. the specific reason of whistleblowing and the evidence available for investigation.
 - (III) Reports made by anonymous sources are normally not acceptable, but where reports involve content or evidence that necessitates a probe, likelihood of acceptance exists.
 - (IV) If the above-mentioned conditions are all met, handle the case in accordance with the paragraph 2 to 4 of the Article.
 - (V) If the case does not meet either of the conditions as specified in the (II) paragraph or the conditions as specified in the (III) paragraph, it will not be accepted for investigation. The specially assigned staff, after making sufficient explanation to the whistle-blower, will write down reasons for not accepting the case and put it on file. The case will be reported to the board every quarter.
- II. Reporting to management
 - (I) If employees of the Company are allegedly involved in misconducts as accused by whistle-blowers, the matter should be reported to the employees' supervisors and the Company's general manager and chairperson of the board. The chairperson assigns personnel or establishes a task force to handle the case.
 - (II) If members of the board or managers are alleged to be involved in irregularities, or major violations of discipline occur, or the Company is at risk of suffering heavy losses, the matter should be reported to independent directors or supervisors. The Company should cooperate with the investigation that follows.
- III. Investigation
 - (I) Personnel specially assigned to handle a report or a task force established for it should carefully examine it and associated matters.
 - (II) In the process of investigation, the whistle-blower, if necessary, may be asked to explain and provide relevant information. If needs be, other departments concerned or external specialists may be sought for help.
- IV. Closing a case and submitting a report
Personnel specially assigned for a case or a task force established for it should, after completing a probe, submit a report to the chairperson of the board. The report contains reasons for making the accusation, the investigation process, suggestions on how to handle the case and follow-on improvement measures. If necessary, the case may be reported to the board.
- V. Preservation of offense reports
 - (I) After the results of an investigation come out, files related to the case, starting from acceptance of it, handling process to final results, are handed over to the legal department for preservation as a classified document. The document, in a written or electronic form, should be kept for at least five

- (5) years.
- (II) Before the expiry date of a document, if a lawsuit occurs that is connected with the document, it should be preserved until the end of the lawsuit.

Article 8 Protection for a whistle-blower

- I. The name of the whistle-blower and the content of his/her report should be kept secret by all means. Should it be necessary to make public the identity of the whistle-blower, a written agreement must be obtained from him/her beforehand. Company employees handling a report from a whistle-blower are subject to disciplinary action, meted out in accordance with the Company's personnel management regulations, if they give away information that should be kept secret.
- II. The whistle-blower should be assured that he/her will not suffer any improper treatment because of the report he/she makes.
- III. The individual being reported against should be given the right to defend for himself/herself. If necessary, a hearing will be held.

Article 9 Rewards and punishments for a whistle-blower

The Company encourages internal and external individuals to blow a whistle on illicit, immoral and dishonest conducts. If the accusations are proven to be true, handling units may submit via the human resources department a request to the chairperson of the board asking for rewards for whistle-blowers. The rewards are incommensurate with the whistle-blowers' contributions to the Company in terms of economic benefits for it. Internal individuals who make a false alarm or accusation should be punished in accordance with the Company's personnel management regulations.

Article 10 Force and amendments

This system, and any amendments hereto, shall enter into force after adoption by the Board of Directors.

These rules were established on August 7, 2018.

The 1st amendment was made on February 25, 2022