

Pili International Multimedia Co., Ltd.

Integrity Code of Conduct

Article 1 (Purpose and Scope)

This Code of Conduct has been established in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" to support a corporate culture of integrity, promote healthy business growth and facilitate proper commercial practices.

The Code of Conduct applies to all subsidiaries, organizations that the Company has funded directly or indirectly for more than 50%, and any entities that the Company has actual control over (collectively referred to as Group Affiliates below).

Article 2 (Prohibition against dishonest conducts)

The Company's directors, managers, employees or any empowered personnel (collectively referred to as "Controllers" below) are prohibited from offering, committing, requesting or accepting any illegitimate benefits and involving in any conducts that would be construed as dishonest, illegal, or in breach of trust (collectively referred to as Dishonest Conducts below), whether directly or indirectly, when carrying out business activities.

The counterparties of Dishonest Conducts described above may apply to government officials, election candidates, political parties or members thereof, and directors, supervisors, managers, employees, controllers or any stakeholder of a state-owned or private institution.

Article 3 (Forms of benefit)

The term "benefits" mentioned in the Code of Conducts shall refer to anything of value, including money, gifts, commissions, positions, services, privileges, and kickbacks of any form and purpose. However, this excludes incidental benefits that are offered as a customary practice without commitment to any rights or obligations.

Article 4 (Compliance)

The Company is bound to comply with The Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest and any laws that pertain to business conducts of TWSE/TPEX listed companies. These regulations shall provide the foundation for the Company's integrity management.

Article 5 (Policy)

The Company shall manage its businesses in the utmost prudence, transparency and accountability, and implement policies upon integrity with the approval of the board of directors. The Company shall also develop robust corporate governance and risk management practices to ensure sustainability of business activities.

Article 6 (Preventions)

The Company's Integrity Code of Conduct shall clearly and thoroughly outline

integrity practices and preventive solutions against dishonest conducts (collectively referred to as Preventions below), including operating procedures, behavioral guidelines and training programs.

The Company's Preventions shall comply with the laws of the locations in which the Company and Group Affiliates operate.

The Company should communicate with employees, unions, key business counterparties or other stakeholders when establishing Preventions.

Article 7 (Scope of Preventions)

When developing Preventions, the Company shall identify business activities that present high risks of dishonest conduct and adopt enhanced preventive measures. Preventions adopted by the Company shall prevent at least the following misconducts:

1. Offering and acceptance of bribery.
2. Offering of illegal political donations.
3. Inappropriate donation or sponsorship.
4. Offering or acceptance of inappropriate gift, treatment or benefit.
5. Infringement of business secret, trademark, patent, copyright and other intellectual property rights.
6. Engagement in unfair competition.
7. Direct or indirect damage to consumers' or stakeholders' interest, health or safety in the research, development, procurement, manufacturing, offering or sale of products and services.

Article 8 (Commitments and execution)

The Company and Group Affiliates shall state explicitly in policies and external documents their commitments to business integrity, as well as board of directors' and the management's commitment to enforcing integrity policies. These commitments have to be reflected accordingly in internal management practices and external commercial activities.

Article 9 (Integrity in commercial activities)

The Company shall adhere to integrity principles and conduct all commercial activities in a fair and transparent manner.

Prior to engaging in commercial transactions, the Company is required to evaluate the legitimacy of its distributors, suppliers, customers and counterparties, and investigate whether they were previously involved in dishonest conducts. The Company should avoid dealing with entities that demonstrate poor integrity.

Contracts signed by the Company with distributors, suppliers, customers or other counterparties shall include an integrity clause that not only requires counterparties to comply with integrity policy, but also gives the Company the right to terminate contract at any time if the counterparty is found to have been involved in dishonest conducts.

Article 10 (Prohibition against bribery)

The Company and its directors, managers, employees, agents and controller may not offer, guarantee, request or accept any form of illegitimate benefit with customers, distributors, contractors, suppliers, government officials or stakeholders, whether directly or indirectly, when carrying out business activities.

Article 11 (Prohibition against illegal political donations)

Any donations made directly or indirectly to political parties, campaigns or individuals by the Company and its directors, managers, employees, agents and controller must comply with the Political Donations Act and the Company's internal procedures. These donations can not be exploited as means of obtaining commercial interest or advantage.

Article 12 (Prohibition against improper donations or sponsorships)

Any donations or sponsorships made by the Company and its directors, managers, employees, agents and controller to charity organizations must comply with the relevant laws and the Company's internal procedures. These donations and sponsorships can not be exploited as means of bribery.

Article 13 (Prohibition against inappropriate gifts, treatments and illegitimate benefits)

The Company and its directors, managers, employees, agents and controller may not offer or accept inappropriate gifts, treatments or benefits, whether directly or indirectly, as a means to establish commercial relationship or affect commercial outcomes.

Article 14 (Prohibition against infringement of intellectual property rights)

The Company and its directors, managers, employees, agents and controller shall comply strictly with intellectual property laws, internal procedures and contract terms. Except with the consent of the intellectual property rights owner, the Company may not use, disclose, dispose, destroy or commit any action that constitutes infringement of intellectual property right.

Article 15 (Prohibition against unfair competition)

The Company shall comply with competition laws when engaging in business activities, and must avoid actions that may be construed as an attempt to undermine market competition, such as: price fixing, bid rigging, use of output restriction or quota, or share or divide market by allocating customers, suppliers, territories, or business activities.

Article 16 (Preventing product or service damage to stakeholders)

The Company and its directors, managers, employees, agents and controller shall comply with laws and international standards when researching, developing, procuring, manufacturing, supplying and selling products and services. The Company shall also ensure the transparency of product/service information and the safety of products/services offered, and implement and publish policies for protecting the interests of consumers and stakeholders. The above requirements must be duly enforced in all aspects of business operation to prevent products/services from causing direct or indirect damage to consumers or compromising the rights, health and safety of other stakeholders. As a principle, the Company shall recover its product or cease service if there is any evidence to suggest that the product or service poses concern to the safety and health of consumers or other stakeholders.

Article 17 (Organization and responsibilities)

The Company's directors, managers, employees, agents and controller shall exercise the duty of care as prudent managers to supervise and prevent dishonest conducts, while constantly review performance to ensure ongoing improvement and sound execution of integrity policy.

To ensure proper integrity management, the Company shall create a unit directly under the board of directors that specializes (or is involved) in the establishment, supervision and execution of Integrity Code of Conduct and Preventions. This unit is primarily responsible for the following duties and shall report to the board of directors on a regular basis (at least once a year):

1. Incorporating integrity and moral values into the Company's operating strategies, and establishment of integrity assurance and fraud prevention measures in accordance with laws.
2. Implementation of measures against dishonest conducts, including standard operating procedures and behavioral guidelines.
3. Planning of internal organization and duties, and implementation of check and balance for business activities that present higher risk of dishonest conduct.
4. The promotion and coordination of education and training on ethics policy.
5. Draw up a whistle-blower system to ensure effective implementation.
6. Assist the board of directors and the management in assessing the effectiveness of existing integrity practices and Preventions, assess compliance of operating procedures, and make regular reports to the board of directors.

Article 18 (Compliance of business dealings)

Directors, managers, employees, agents and controller of the Company are bound to comply with laws and Preventions when conducting business activities.

Article 19 (Avoidance of conflicting interests)

The Company shall implement a conflicting interest policy to identify, supervise and manage potential conflicts of interest that may give rise to dishonest behaviors, and implement channels for directors, managers, stakeholders and board meeting participants to state their conflicting interests with the Company.

If a director, manager, board meeting participant or any of the corporate entity they represent is considered a stakeholder to a topic discussed in board meeting, the party must state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the concerned party may not exercise voting rights on behalf of other directors. Directors are expected to practice self-discipline and not support each other improperly.

The Company's directors, managers, employees, agents and controller must not exploit their vested authorities or influences for improper gains, whether for themselves or for spouse, parents, children, or any other parties.

Article 14 (Accounting and internal control)

The Company shall implement effective accounting and internal control policies for business activities that are prone to risks of integrity. The Company must not maintain secret accounts and shall perform regular reviews to ensure the effectiveness of its existing policies.

The internal audit unit has the duty to audit the Company's compliance with the

above policies at times deemed necessary, and report findings to the board of directors. The internal audit unit may also engage CPAs to perform audit, and seek help from professionals if necessary.

Article 21 (Operating procedures and behavioral guidelines)

The Company shall establish operating procedures and behavioral guidelines based on Article 6 to outline certain issues that directors, managers, employees and controller must take note of when performing duties, including:

1. Definitions for offering/acceptance of improper gains.
2. Procedures for offering legitimate political donations.
3. Procedures for offering legitimate donations or sponsorships, and limits.
4. Rules against conflict of interest, including reporting and handling procedures.
5. Confidentiality rules for secrets and sensitive information obtained through business activity.
6. Rules and procedures for suppliers, customers and business counterparties involved in dishonest conducts.
7. Procedures for handling violation against the Integrity Code of Conduct. 8. Disciplinary actions against violators.

Article 22 (Training and evaluation)

Chairman, President and senior managers shall constantly convey the importance of integrity with directors, employees and agents.

The Company shall organize regular training and promote awareness among directors, managers, employees, agents and controller on the subject of integrity. Business counterparties should also be invited to participate, so that they are made fully aware of the Company's commitment as well as policies, precautions and disciplinary measures imposed to ensure business integrity.

The integrity policy should be incorporated into employee performance evaluation and human resource policies in order to develop a clear and effective reward/disciplinary system.

Article 23 (Whistleblower system)

The Company shall develop and implement a whistleblower system that encompasses at least the following:

1. Misconduct reporting channels available to insiders and outsiders, including mailboxes and hotlines that are operated by the Company or by independent third-party institutions.
2. Personnel or unit assigned specifically to handle reported misconducts, along with classification criteria and standard operating procedures for reported misconducts. Misconduct reports that involve directors or the senior management are to be escalated to independent directors.
3. Subsequent measures to be undertaken depending on the severity of the case involved and the outcome of investigation. Misconduct reports may be escalated to the authority or the judicial department if necessary.
4. Procedures for acceptance and investigation of reported misconducts, and documentation and preservation of investigation outcome.
5. Protection of informant's identity, and tolerance for anonymous reporting.
6. Protection for informants against retaliation.
7. Whistleblowing incentives.

The unit or personnel responsible for whistleblowing will be required to file report and notify independent directors in writing upon discovery of any major violation or any occurrence that has the potential to cause significant damage to the Company.

Article 24 (Discipline and grievance system)

The Company shall establish a system that facilitates the reporting and discipline of conducts that violate the integrity policy. Any personnel who commit violation will have their names, titles, misconducts, date of violation, and disciplinary actions disclosed immediately on the Company's intranet.

Article 25 (Information disclosure)

The Company should develop quantitative measurements for business integrity and use them to analyze performance of the business integrity policy on an ongoing basis. The Company shall disclose the progress of its integrity efforts on website, annual report and prospectus, and terms of the Integrity Code of Conduct on the Market Observation Post System.

Article 26 (Review and amendment of integrity policy and measures)

The Company shall pay constant attention to local and foreign integrity guidelines, encourage directors, managers and employees to make recommendations that would help improve the Integrity Code of Conduct and its implementation, and ultimately improve integrity performance.

Article 27 (Implementation)

The Company's Integrity Code of Conduct shall be implemented and reported in shareholder meeting once resolved by the board of directors. The same process applies to all subsequent revisions.

Independent directors' opinions must be fully taken into consideration when the Integrity Code of Conduct is raised for discussion among the board of directors. All objections and qualified opinions expressed by independent directors must be detailed in board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in the board of directors meeting minutes unless there is justifiable reason not to do so.

Article 28 (Additional rules)

The procedures were established on August 13, 2019.

The 1st amendment was made on March 23, 2020.