

## **eMemory Technology Inc.**

# **Ethical Corporate Management Implementation Status of 2024**

Date of Board of Directors : December 18, 2024

eMemory engages in commercial activities by basing on the fair, honest, trustworthy, transparent principle, that the “Ethical Corporate Management Practice Principles” had been established and approved by the Board of Directors to make ethical management practicable and prevent form unethical conducts, as well as publicly disclose “Ethical Corporate Management Practice Principles” on the corporate website and Market Observation Post System. The Board of Directors has approved that the Sustainability Management Committee is responsible for promoting and overseeing the Company’s integrity and ethical practices, and the Chairman of the committee will also report annually to the Board of Directors on the implementation of ethical corporate management.

### **Implementation Status :**

#### **1. Corruption Risk Assessment**

To prevent corruption, eMemory conducts corruption risk assessments regularly. Since procurements are centralized, the scope of the assessment is the Jhubei Office in Taiwan. By identifying and evaluating the possibility and impact of bribery in business operations, preventive measures are designed for medium- and high- risk items. Senior management executives participated in the corruption risk assessment and took the risk identification survey in 2024. A total of 8 risk situations and 16 hazard items were identified. Among the 16 items, there are 14 low-risk items and 2 medium-risk items. For low-risk items, it is managed by existing prevention procedures. For medium-risk items, eMemory has adopted ISO27001 Information Security Management System for proper protection and management. Furthermore, information security related courses and discussions are regularly delivered to our employees to strengthen the concept of information security and prevent incidents from happening.

#### **2. Training and Publicity**

eMemory provides a series of training courses. The "Information Environment and Information Safety" course emphasizes the confidentiality of both tangible and intangible information assets possessed by eMemory. The "Personal Information Protection" training course focuses on the execution of a nondisclosure agreement by the individual who handles any personal information, confirming their confidentiality obligations and the parameters of the permissible legal use of personal information. The "Insider Trading" course propagates the inhibition of making use of undisclosed information to conduct insider trading and disclosure to others. “Integrity and Anti-Corruption” course strengthen employees' awareness of integrity management and professional ethics. In 2024, as of November, 36 new employees at eMemory participated in the courses mentioned, totaling 54 hours. The "Company-wide Information Security Policy Fundraising Security Awareness Education and Training Course" was also established. All colleagues in the Company completed the course, with a total number of 354 people and a total of 354 hours.

At the same time, starting from 2023 at eMemory, in addition to all full-time employees, part-time and contract employees are also required to take the "Integrity and Anti-Corruption" course to strengthen employees' awareness of professional ethics, implement honest management policies, and actively prevent dishonesty behavior. We also establish relevant courses mentioned above in the internal online course learning system to provide all employees with references at any time.

### **3. Internal Audit**

eMemory Audit Office assesses risks related to various internal control operations based on "Ethical Corporate Management Practice Principles", formulating an annual audit plan and conduct auditing according to the audit plan. Through internal audits, the Audit Office verifies that the Company engaged in all types of business activities with integrity. The audit results are regularly reported to the Company's Board of Directors.

### **4. Whistle-blowing System**

The whistle-blowing system and related processing procedures had been established in the "Stakeholders Engagement" area on the corporate website. eMemory also established the "Internal Reporting and Handling Procedures", which explain the principles of preventive regulations and reporting procedures. The "President's Mailbox" and an "Employee Mailbox" on the Company's internal "My eMemory" portal provide channels for employees to voice their opinions. Upon receiving the complaint, we would assign a designated person to handle and investigate the complaint. The person handling the complaint shall report the handling method, progress and results to the Company and the person concerned. The person concerned and the person handling the complaint need to maintain the confidentiality of the investigation process and related information, and shall not disclose the information without authorization. The Company protects the person concerned from any retaliation or other unfavorable treatment. Those who are unable to maintain confidentiality and cause the case to be disclosed to the public would be reviewed and handled following the relevant regulation.

### **5. Summary**

In conclusion ,through internal education, training and publicity, internal and external persons can be clearly aware the Company's ethical corporate management related policies. Therefore, under the "Ethical Corporate Management Practice Principles" which clearly regulates and prohibits various business activities, the Company did not receive any reports from December 2023 to November 2024, and was not found to 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. We were also not involved in any lawsuit related to anticompetitive, anti-trust, and monopolistic behavior.

Reporter : President Michael Ho

#### Notice to Readers

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