

Taiwan FamilyMart Co., Ltd

Procedures for Ethical Management and Guidelines for Conduct

Article 1 (Purpose and Scope of Application)

Based on the principles of fairness, honesty, trustworthiness, and transparency in conducting business activities, this company has established this operating procedure and code of conduct in accordance with the company's "Code of Conduct for Ethical Management" and relevant laws and regulations in the operating locations of the company and its group enterprises and organizations, to implement the ethical management policy and actively prevent unethical behavior. The procedures and guidelines specifically stipulate matters that the company's personnel should pay attention to when performing their duties.

The scope of application of this operating procedure and code of conduct extends to the company's subsidiaries, foundations that have received direct or indirect donations accumulating to more than fifty percent, and other institutions or legal entities that the company has substantial control over, including group enterprises and organizations.

Article 2 (Applicable Personnel)

The term "company personnel" as referred to in this operating procedure and code of conduct refers to the directors, supervisors, managers, employees, appointees, and individuals with substantial control over the company and its group enterprises and organizations.

If any company personnel, through a third party, provides, promises, requests, or accepts any improper benefits, it shall be presumed that such actions were taken by the company personnel.

Article 3 (Unethical Behavior)

The term "unethical behavior" as referred to in this operating procedure and code of conduct refers to any act by the company's personnel in the course of performing their duties, in order to obtain or maintain benefits, directly or indirectly providing, receiving, promising, or requesting any improper benefits, or engaging in other acts that violate integrity, are illegal, or breach fiduciary duties.

The subjects of the aforementioned acts include public officials, political candidates, political parties or party officials, as well as any public or private enterprises or institutions and their directors (or council members), supervisors (or inspectors), managers, employees, individuals with substantial control, or other stakeholders

Article 4 (Types of Benefits)

The Company is headquartered in Taipei City, Republic of China and shall, where necessary, set up branch offices at various locations within the territory of the Republic of China,

upon approval of the Board of Directors.

Article 5 (Responsible Unit)

The company designates the Ethical Management Promotion Committee as the responsible unit, which is subordinate to the Board of Directors. The committee shall be allocated sufficient resources and competent personnel to be responsible for the formulation and supervision of the ethical management policy and prevention plan. Its main responsibilities include the following items, and it shall report to the Board of Directors regularly (at least once a year):

1. Assist in integrating integrity and ethical values into the company's business strategies and formulate preventive measures to ensure ethical management in compliance with laws and regulations.
2. Regularly analyze and evaluate the risks of unethical behavior within the scope of business, and formulate plans to prevent unethical behavior accordingly. Establish standard operating procedures and codes of conduct related to work tasks within each plan.
3. Plan the internal organization, structure, and responsibilities. Implement mutual supervision and checks and balances mechanisms for business activities with higher risks of unethical behavior within the scope of business.
4. Promote and coordinate ethical policy advocacy and training.
5. Plan a whistleblowing system to ensure its effectiveness.
6. Assist the Board of Directors and management in auditing and evaluating the effectiveness of the preventive measures established for implementing ethical management. Regularly conduct compliance assessments on relevant business processes and prepare reports.
7. Prepare and properly preserve documentation related to the ethical management policy, including compliance statements, implementation commitments, and execution status.

Article 6 (Prohibition of Providing or Accepting Improper Benefits)

When the company's personnel directly or indirectly provide, receive, promise, or request the benefits stipulated in Article 4, except for the following circumstances, they shall comply with the company's "Code of Conduct for Ethical Management," this operating procedure and code of conduct, and follow the relevant procedures before proceeding:

1. Actions taken based on business needs during domestic or overseas visits, receptions for foreign guests, business promotion, and communication coordination, in accordance with local etiquette, customs, or practices.
2. Participation in or invitations to normal social activities based on normal social etiquette, business purposes, or relationship building.
3. Invitations to clients or acceptance of invitations to participate in specific business activities, factory visits, etc., due to business needs, with clear stipulations on the

cost-sharing method, number of participants, accommodation standards, and duration for the aforementioned activities.

4. Participation in publicly held folk festival activities that invite the general public to attend.
5. For social etiquette, customs, or other purposes that comply with company regulations.

Article 7 (Procedures for Handling the Receipt of Improper Benefits)

When the company's personnel encounter situations where others directly or indirectly provide or promise to give the benefits stipulated in Article 4, except for the circumstances stipulated in the previous article, they shall return or refuse such benefits and report to their immediate supervisor and the Human Resources Department. If the benefits cannot be returned, they shall be handed over to the Human Resources Department for handling within one week from the date of receipt.

The Human Resources Department shall, based on the nature and value of the benefits mentioned in the first paragraph, propose appropriate recommendations such as returning, accepting with payment, turning over to the company, donating to charitable organizations, or other suitable actions. These recommendations shall be submitted to the General Manager for approval before execution.

Article 8 (Prohibition of Facilitation Payments and Handling Procedures)

The company shall not offer or promise any facilitation payments.

If any company personnel provide or promise facilitation payments due to threats or intimidation, they shall record the process, report to their immediate supervisor, and notify the Human Resources Department.

Upon receiving the notification mentioned in the previous paragraph, the Human Resources Department shall handle it immediately and review the relevant circumstances to reduce the risk of recurrence. If any illegal activities are discovered, they shall be reported to the judicial authorities immediately.

Article 9 (Procedures for Handling Political Contributions)

The company's provision of political contributions shall comply with the political contribution-related laws and regulations of the country or region where the recipient of the political contribution is located, as well as the company's internal operating procedures. Political contributions shall not be used to seek commercial benefits or trading advantages.

Article 10 (Procedures for Handling Charitable Donations or Sponsorships)

The company's provision of charitable donations or sponsorships shall comply with the following regulations:

1. It shall comply with the laws and regulations of the operating location.
2. Decisions shall be documented in writing.
3. The recipient of charitable donations shall be a charitable organization, and it shall not be a disguised form of bribery.
4. The benefits obtained from the sponsorship shall be clear and reasonable, and the recipient shall not be a business partner of the company or a person with interests related to the company's personnel.

Article 11 (Conflict of Interest)

The company's directors, managers, and other interested parties attending or present at board meetings shall, in matters discussed at the board meetings, disclose the important details of their conflicts of interest if they or the legal entities they represent have any interests in such matters. If there is a possibility of harming the company's interests, they shall not participate in the discussion or voting, and shall recuse themselves during the discussion and voting. They shall also not act as proxies for other directors to exercise their voting rights. Directors shall also exercise self-discipline and refrain from improper mutual support.

If the spouse, second-degree relatives by blood, or companies with a controlling or subordinate relationship with a director have interests in the matters discussed at the aforementioned meetings, it shall be deemed that the director has a personal conflict of interest in those matters.

When performing company duties, if any company personnel discover a conflict of interest with themselves or the legal entity they represent, or a situation that may lead to improper benefits for themselves, their spouse, parents, children, or people with interests related to them, they shall report the relevant circumstances to their immediate supervisor and the company's responsible unit simultaneously. The immediate supervisor shall provide appropriate guidance.

Company personnel shall not use company resources for commercial activities outside the company, and their participation in commercial activities outside the company shall not affect their work performance.

Article 12 (Confidentiality Mechanisms, Organization, and Responsibilities)

The company's Legal Compliance Office is responsible for formulating and implementing management, preservation, and confidentiality operating procedures for the company's

personal data, trade secrets, trademarks, patents, copyrights, and other intellectual property. They shall also review the implementation results to ensure the continued effectiveness of the operating procedures.

The company's personnel shall strictly comply with the relevant operating regulations for intellectual property mentioned in the previous paragraph. They shall not disclose the company's trade secrets, trademarks, patents, copyrights, or other intellectual property that they are aware of to others. They shall also not inquire about or collect company trade secrets, trademarks, patents, copyrights, or other intellectual property that is not related to their duties.

Article 13 (Prohibition of Unfair Competition)

The company shall conduct its business activities in accordance with the Fair Trade Law and relevant competition laws and regulations. It shall not engage in joint price fixing, bid rigging, or restriction of output and quotas, nor shall it share or divide the market by allocating customers, suppliers, operating regions, or business types.

Article 14 (Preventing Products or Services from Harming the Rights and Interests of Stakeholders)

The Company shall collect and understand the relevant laws and regulations and international standards that should be followed for the products and services it provides. The Company shall also summarize the matters that should be noted and clearly stipulate them, prompting the Company's personnel to ensure the transparency and safety of product information, labeling, and services in the process of product and service research and development, procurement, manufacturing, provision, or sales.

The Company shall formulate and publicly disclose on its website a policy for protecting the rights and interests of consumers or other stakeholders to prevent products or services from directly or indirectly harming the rights and interests, health, and safety of consumers or other stakeholders.

In the event of media reports with confirmed factual evidence or other confirmed specific facts that sufficiently indicate that the Company's products or services may endanger the safety and health of consumers or other stakeholders, the Company shall, depending on the circumstances, take the initiative or cooperate with the requests of relevant government authorities to recall the relevant batch of products or suspend the service within the shortest possible timeframe. The Company shall also investigate the facts and propose a review and improvement plan.

The relevant responsible units of the Company shall report the aforementioned

circumstances, handling methods, and subsequent review and improvement measures to the Chairman of the Board and, depending on the circumstances, submit a special report at the next board meeting.

Article 15 (Confidentiality Agreements and Prohibition of Insider Trading)

The company's personnel shall comply with the provisions of the Securities and Exchange Act, and shall not engage in insider trading by using any non-public information they are aware of, nor shall they disclose such information to others to prevent others from engaging in insider trading using such non-public information.

Other institutions or personnel participating in the company's mergers, divisions, acquisitions, share transfers, important memorandums, strategic alliances, other business cooperation plans, or important contracts shall sign confidentiality agreements with the company, committing not to disclose the company's trade secrets or other material information they become aware of to others, and shall not use such information without the company's consent.

Article 16 (Compliance with and Declaration of Ethical Management-Related Norms)

The company shall require directors and senior management to submit a statement of compliance with the ethical management policy and include the requirement for employees to comply with the ethical management policy in the terms of employment.

The company shall disclose ethical management-related norms in its internal regulations, annual reports, company website, or other publicity materials. The company shall also make timely declarations at external events such as product launches and investor conferences to ensure that suppliers, customers, or other business-related institutions and personnel clearly understand the company's ethical management philosophy and norms.

Article 17 (Ethical Management Assessment Before Establishing Business Relationships)

Before establishing business relationships with others, the company shall conduct an assessment of the legality, ethical management policies, and any records of unethical behavior of agents, suppliers, customers, or other business partners to ensure that their business practices are fair, transparent, and do not involve soliciting, offering, or accepting bribes.

When conducting the aforementioned assessment, the company may adopt appropriate due diligence procedures to review the business partners on the following matters to understand their ethical management status:

1. The country, place of operation, organizational structure, business policies, and

payment location of the enterprise.

2. Whether the enterprise has established an ethical management policy and its implementation status.
3. Whether the enterprise's place of operation is in a high-risk country for corruption.
4. Whether the business operated by the enterprise is in a high-risk industry for bribery.
5. The long-term operating status and reputation of the enterprise.
6. Consult the opinions of the enterprise's partners about the enterprise.
7. Whether the enterprise has any record of involvement in bribery or illegal political contributions or other unethical behavior.

Article 18 (Explaining Ethical Management-Related Norms to Business Partners)

In the course of conducting business, the company's personnel shall explain the company's ethical management-related norms to the counterparty and explicitly refuse to directly or indirectly offer, promise, request, or accept any improper benefits in any form or name.

Article 19 (Avoiding Transactions with Unethical Business Operators)

The company's personnel shall avoid engaging in business transactions with agents, suppliers, customers, or other business partners who have engaged in unethical behavior. If any business partners or collaborators are found to have engaged in unethical behavior, business dealings with them shall be terminated immediately, and they shall be listed as prohibited business partners to implement the company's ethical management-related norms.

Article 20 (Explicitly Stipulating Ethical Management in Contracts)

When signing contracts with others, the company shall fully understand the other party's ethical management status and incorporate compliance with the company's ethical management policy into the contract terms. The contract shall at least explicitly stipulate the following matters:

1. When any party becomes aware that any personnel have violated the contract terms prohibiting the acceptance of commissions, rebates, or other improper benefits, they shall immediately truthfully inform the other party of the identity of such personnel, the method of providing, promising, requesting, or accepting, the amount, or other improper benefits, and provide relevant evidence and cooperate with the other party's investigation. If a party suffers any loss as a result, they may include a clause for claiming damages and may deduct the damages from the

contract price payable.

2. If any party engages in unethical behavior in business activities, the other party may terminate or rescind the contract at any time without conditions.
3. Stipulate clear and reasonable payment terms, including the payment location, method, and relevant tax laws and regulations that need to be complied with.

Article 21 (Handling of Unethical Behavior by Company Personnel)

The Company encourages internal and external personnel to report unethical or improper behavior. Depending on the severity of the reported matter, appropriate rewards will be given. If internal personnel make false reports or malicious accusations, they shall be subject to disciplinary action, and those with serious offenses shall be dismissed.

The Company shall establish and announce independent internal reporting mailboxes and hotlines on the company website and internal website, or entrust other external independent agencies to provide reporting mailboxes and hotlines for use by both internal and external personnel of the Company.

The Company shall handle reported matters in accordance with the "Procedures for Handling Reports of Illegal, Immoral, or Unethical Conduct."

Article 22 (Handling of Unethical Behavior by Others towards the Company)

If any company personnel encounter unethical behavior by others towards the company, and such behavior involves illegal activities, the company shall report the relevant facts to the judicial and procuratorial organs. If it involves public agencies or public servants, the government's anti-corruption agency shall also be notified.

Article 23 (Establishment of Promotion, Reward and Punishment, Complaint System, and Disciplinary Actions)

The Company shall regularly conduct internal advocacy and communicate the importance of integrity to the Chairman, directors, General Manager or senior management, employees, and appointees.

The Company shall incorporate ethical management into employee performance appraisals and human resources policies, establishing clear and effective reward and punishment and complaint systems.

For company personnel who have committed serious violations of ethical conduct, the company shall, in accordance with relevant laws and regulations or the company's personnel regulations, remove them from their positions or terminate their employment.

If any company personnel are involved in unethical conduct, the Human Resources Department shall issue an internal announcement disclosing information such as the title, name, date of violation, content of the violation, and handling of the personnel who violated the ethical conduct.

Article 24 (Implementation)

These operating procedures and guidelines shall be implemented upon approval by a resolution of the Board of Directors, and the same applies to amendments.

When these operating procedures and guidelines are submitted to the Board of Directors for discussion, the opinions of each independent director shall be fully considered, and their objections or reservations shall be clearly stated in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express their objections or reservations, they shall, except for justifiable reasons, submit their written opinions in advance, which shall be included in the minutes of the board meeting.

Article 25 (Date of Establishment)

These Operating Procedures and Code of Conduct were established on November 8, 2019, and the first revision was made on November 6, 2020.