

Voltronic Power Technology Corp.
Corporate Social Responsibility Code of Practice

Chapter I General Principles

Article 1 The Code of Practice is stipulated in accordance with “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” in order to practice corporate social responsibility and promote economic, environment and social advancement so as to achieve the goals of sustainable development.

Article 2 The Code of Practice is applicable to the overall operating activities of the Company and Group companies.

The Company is engaged in business operation while actively practice corporate social responsibility to be in line with international development trend, enhance contribution to the national economy, improve the quality of life of employees, communities and society and promote the competitive advantages based on corporate responsibility.

Article 3 When fulfilling the corporate social responsibility, the Company shall pay attention to the rights and benefits of stakeholders, value environment, society and corporate governance in the pursuit of sustainable development and profit, and incorporate it in the corporate governance guidelines and business activities.

Article 4 The Company practices the corporate social responsibility in accordance with the following principles:

1. Implementation of corporate governance
2. Development of sustainable environment
3. Preservation of social welfare
4. Enhanced disclosure of corporate social responsibility

Article 5 The establishment of the Code of Practice shall consider the local and international development trend of corporate social responsibility, the relevance of core business and the impact of the overall business activities of the Group companies on the stakeholders. It will be presented in shareholder meetings after approval by the Board of

Directors.

When the shareholders propose motions related to corporate social responsibility, the Board of Directors shall consider including them in the motions in the shareholder meeting.

Chapter II Implementation of Corporate Governance

Article 6 The Company shall follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies to effectively construct governance framework and relevant ethical standards to improve the corporate governance.

Article 7 The directors of the Company shall fulfill the obligation of good managers to urge the company to practice corporate social responsibility and review the implementation outcome at any time and continue to improve it in order to ensure the implementation of the corporate social responsibility policies.

The Board of the Directors of the Company should practice the corporate social responsibility in the following aspects.

1. Proposal mission or vision of corporate social responsibility, and establish corporate social responsibility policies, systems or relevant management guidelines.
2. Incorporate corporate social responsibility into the company's business activities and development direction, and approve specific implementation plans of corporate social responsibility.
3. Ensure the timeliness and correctness of the disclosure of the information related to corporate social responsibility.

The economic, environmental and social issues arising from the business activities shall be handled by top management with the authorization from the Board of Directors, and the top management shall report to the Board of Directors the handling status. The handling procedure and relevant responsible personnel shall be specific.

Article 8 The Company should regularly carry out corporate social responsibility

training and advocate the matters specified in Article 7 Paragraph 2 of the Code of Practice.

Article 9 To enable sound development of corporate social responsibility, the Company shall set up a dedicated (concurrent) unit for the promotion of corporate social responsibility, which is responsible for the corporate social responsibility policies, systems or relevant management guidelines as well as the proposal and implementation of specific promotion plans, and reports to the Board of Directors regularly.

The company should formulate a reasonable remuneration policy to ensure that the remuneration plan can meet strategic goals of the organization and the benefits of stakeholders.

Employee performance assessment system should be combined with corporate social responsibility, and clear and effective incentive and punishment systems should be established.

Article 10 The Company shall identify the stakeholders of the company out of respect for the rights and interests of stakeholders, and set up stakeholder section on the company website. The Company shall also understand the stakeholders' reasonable expectation and needs by means of communication, and appropriately respond to the important corporate social responsibility topics they concern about.

Chapter III Development of Sustainable Environment

Article 11 The Company shall comply with laws, regulations and international standards related to environment, appropriately protect the natural environment and be committed to achieve the goal of environmental sustainability when carrying out business activities and internal management.

Article 12 The Company should be committed to improve the efficiency of resources use and adopt renewable materials with low environmental impact so that the resources on the Earth can be used sustainably.

Article 13 The Company should establish an appropriate environmental management system in accordance with the characteristics of the industry. The above environmental management system shall be able to perform the following tasks:

1. Collect and assess the adequate and timely information regarding

the impact on the environment caused by the business activities.

2. Set measurable environmental sustainability goals and regularly measure the continuity and relevance of their development.
3. Set implementation measures such as specific plans or action plans, and regularly review the outcomes of the implementation.

Article 14 The Company shall establish a dedicated environmental management unit or personnel in order to plan, promote and maintain relevant environmental management systems and specific action plans, and regularly hold environmental education programs for the management and staff.

Article 15 The Company should consider the impact of operation on ecological benefits, promote and advocate the concept of sustainable consumption, and carry out business activities, including R&D, procurement, production, operation and services, in accordance with the following principles to reduce the impact of business operation on the environment and human.

1. Reduce the consumption of resources and energy by products and services.
2. Reduce the emissions of pollutants, toxic substances and wastes, and properly handle the wastes.
3. Increase the recyclability and reusability of raw materials or products.
4. Maximize the sustainable use of recyclable resources
5. Extend the durability of products.
6. Increase the effectiveness of products and services.

Article 16 The Company shall properly and sustainably use water resources and stipulate relevant management measures depending on the needs and characteristics of the industry in order to increase the efficiency of water use.

Considering the characteristics of the industry and operation, the Company shall construct and strengthen the environmental protection and handling facilities, if necessary, to avoid contamination of water, air

and land, and do its best to reduce adverse impact on human health and environment and adopt the best possible measures of pollution prevention and control technologies.

Article 17 The Company shall abide by and promote the policies related to energy saving, carbon reduction and greenhouse gasses reduction to reduce the impact of company operation on the environment. The Company should adopt the locally and internationally accepted standards or guidelines to perform greenhouse gases inventory and disclosure. The scope should include:

1. Direct greenhouse gases emissions: the emissions from sources that are owned or controlled by the organization
2. Indirect greenhouse gasses emissions: emissions from the consumption of purchased electricity, heat, steam, or other sources of energy

The Company should pay attention to the impact of climate change on the business activities, and formulate energy saving and greenhouse gases reduction strategies in accordance with the operation and the results of greenhouse gases inventory, incorporate the acquisition of carbon credit in the company's carbon reduction strategies and promote it according in order to reduce the impact of business activities on the climate change.

Chapter IV Preservation of Social Welfare

Article 18 The Company shall comply with the relevant laws and regulations as well as international human rights conventions such as gender equality, the right to work and prohibition of discrimination. The Company shall abide by the internationally accepted labor rights such as freedom of association, collective bargaining right, care for the disadvantaged groups, prohibition of child labors, elimination of all forms of forced labor and elimination of employment discrimination, and ensure that the human resources policies are equal to all genders, races, social-economic classes, age, marriage and family conditions in order to achieve equal and fair employment, remuneration, benefits, training, evaluation and promotion opportunities.

The Company shall provide effective and appropriate mechanism for complaints about violation of labor rights, and ensure equality and

transparency during the complaint process. The complaint channel shall be easy and convenient to access without obstruction, and the employees' complaints shall be properly responded.

Article 19 The human affair division of the Company is responsible for providing the employees with the rights set forth in the labor laws of the countries where the business is operated.

Article 20 The Company should provide the employees safe and healthy work environment, including the provision of necessary health and first aid facilities, be committed to lowering the risk factors concerning the safety and health of the employees to prevent occupational hazards, and timely offer safety and health education and training to the employees.

Article 21 The Company shall create a good environment for employees to develop their career. The head of each unit shall adopt suitable means to train the employees in order to establish effective career capacity development program. The Company shall appropriately reflect the business performance or outcomes in the remuneration policies to ensure the recruitment and retention of human resources as well as incentives so as to achieve the goals of sustainable operation.

Article 22 The employees of the Company may directly or indirectly communicate with the management and directors through phone calls, mails, supervisors, labor-capital meetings and other meetings to properly exercise their rights of obtaining information and expressing opinions regarding the management activities and resolutions of the company.

Article 23 The Company shall be responsible for the products and services and value marketing ethics. The transparency and safety of the products and service information shall be ensured during R&D, procurement, production, operation and service processes. Consumer right policies shall be formulated and made public depending on the industry and business characteristics, and they should be implemented in the business activities to prevent the rights and benefits, health and safety of the consumers from damage by the products or services.

Article 24 The Company shall ensure the quality of the products and services in accordance with laws and regulations and relevant provisions of the industry.

The Company shall follow the relevant laws and regulations when

marketing and labeling the products and services, and cannot deceive, mislead, trick the consumers, break the consumers' trust and damage the rights and interests of the consumers.

Article 25 The Company shall assess and manage all kinds of risks that might result in interruption of the operation, and reduce their impact on the consumers and society.

The Company shall provide effective procedures for the consumers to complain about the products and services, handle the consumers' complaints fairly and timely, abide by the provisions related to the Personal Information Protection Act, respect the consumers' rights of privacy and protect the personal information provided by the customers.

Article 26 The Company should timely evaluate the impact of procurement practices on the environment and society of the source of supply and can cooperate with the suppliers to implement corporate social responsibility together.

Before doing business, the Company should evaluate whether the suppliers have any records of impacting the environment and society in order to prevent working with the suppliers whose acts contradicting the corporate social responsibility.

The contracts between the Company and the suppliers should include the corporate social responsibility policies of both companies. If the suppliers are involved in the violation of the policies which result in significant impact on the environment and society of the communities of source of supply, the Company may terminate or rescind the contracts at any time.

Article 27 The Company may participate in community development, community education and relevant activities of the civil organization, charities and government institutions through business activities, objects donation, corporate volunteer service or other charitable professional services to promote community development and community identity.

Chapter V Enhanced Disclosure of Corporate Social Responsibility

Article 28 The Company should make information public in accordance with relevant laws and the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, and fully disclose corporate social

responsibility information related to relevance and reliability to enhance the information transparency.

The CSR-related information disclosed by the Company is as follows:

1. The corporate social responsibility policies, systems or relevant management guidelines and specific promotion plans approved by the Board of Directors.
2. Implementation of corporate governance, development of sustainable environment and preservation of social welfare and risks and impact on the business operation and financial condition of the company.
3. Goals and measures of corporate social responsibility set by the company as well as the implementation performance.
4. The main stakeholders and the topics they concern about.
5. The management and performance of major environmental and social topics disclosed by the main suppliers.
6. Other information related to corporate social responsibility

Article 29 The Company shall adopt internationally widely accepted standards or guidelines to disclose the promotion of corporate social responsibilities when compiling corporate social responsibility reports, and should obtain third party assurance or guarantee in order to enhance the reliability of the information. The content should include the followings:

1. Implementation of corporate social responsibility policies, systems or relevant guidelines and specific promotion plans.
2. The main stakeholders and the topics of concern thereof
3. The implementation outcomes and review on the implementation of corporate governance, development of sustainable environment, preservation of social welfare and promotion of economic development.
4. Future direction and goals for improvement

Chapter VI Supplementary Provisions

Article 30 The Company shall pay attention to the development of relevant

corporate social responsibility guidelines at home and abroad as well as the change of business environment in order to review and improve the corporate social responsibility systems established by the Company and enhance the implementation outcome of the corporate social responsibility.

Article 31 The Code of Practice will be implemented after the approval of the Board of Directors and will be reported in the shareholders' meetings. The same applies to amendment thereto.