

Employee Fair Trade Guidelines

1. Purpose and Scope

The purpose of these guidelines is to provide specific standards of conduct to help employees comply with the Fair Trade Act, the Fair Transactions in Subcontracting Act and other applicable laws and regulations as well as the company's principles of ethical management in their daily work. These guidelines apply to all employees and serve as a standard for all points of contact with business partners, including face-to-face interactions, online communications, events and meetings.

2. Basic Principles

- Comply with the principles of integrity, transparency and fairness.
- Prohibit anti-competitive conduct, including collusion, bid rigging and market allocation.
- Prohibit abuse of superior bargaining position and respect business partners.
- Prohibit the exchange of sensitive information, including prices, costs, customers, production volume and margins.
- Conduct all transactions based on written contracts and include required compliance clauses.
- Immediately stop and report any situation that may involve a violation.

3. Prohibited Conduct and Key Precautions

3.1 Prohibition of Collusion and Information Exchange

- Do not exchange sensitive information with competitors, including prices, discount rates, margins, costs, production volume, customer lists and sales strategies.
- Do not make statements or gestures at industry associations, seminars or exhibitions that could be interpreted as inducing an implicit agreement.
- If a competitor provides sensitive information, immediately stop the conversation, record the reason for discontinuation in the meeting minutes and report the incident.

3.2 Bids and Quotations

- Before, during and after a bid, do not coordinate in advance with competitors regarding the successful bidder, bid price or allocation of volume.
- Do not provide or receive non-public bid-related information to or from any third party.

3.3 Fair Dealings with Business Partners

- Do not abuse a superior bargaining position, such as through unfair price reductions, forced returns or unilateral reductions in purchase unit prices.
- Do not demand technical materials from business partners or use such materials improperly.
- Clearly state payment, unit price, delivery schedule and other transaction terms in a written contract.

3.4 Joint Marketing and Standardization Activities

- When pursuing standardization activities or joint sales, obtain prior legal or compliance review to ensure there is no anti-competitive effect.

- Do not include any element that may restrict competition in external presentation materials or in price anchoring signals.

3.5 Distribution, Promotion and Rebates

- Prohibit improper rebates, shifting of promotional costs, forced sales and resale price maintenance.
- Promotional expenses and rebates must be based on contracts or policies and supported by objective evidence.

4. Guidelines for Participation in Associations, Meetings and Events

- Review the meeting agenda in advance and clearly prohibit discussions involving sensitive information such as prices, margins and customers.
- If a sensitive topic arises during a meeting, immediately raise an objection. If necessary, leave the meeting and keep a record of the reason.
- Prepare and retain meeting minutes that include attendees, time and a summary of discussions and submit them upon request.
- Apply the same standards to informal meetings, meals and private conversations.

5. Transaction, Contract and Communication Rules

- All transactions must be based on written contracts that include anti-corruption, fair trade, counterfeit parts prohibition, information protection and audit rights clauses.
- Proposals on prices and terms must be based on independent judgment and reasonable grounds, including costs, market conditions and internal policies.
- Maintain objective criteria and records when selecting and evaluating business partners or changing unit prices.
- Proceed with external communications, including press releases, blogs and briefings, only after prior review.
- Do not provide competitively sensitive information externally without internal approval.

6. Decision-Making, Approval and Record Management

- Sensitive transactions, including gifts, entertainment and travel, require prior approval in principle and must be supported by an expense ledger and evidence.
- Activities involving competition law risk, such as bids, association activities and standardization, must proceed only after prior compliance or legal review.
- Retain relevant records, including meeting minutes, contracts, approval documents and emails.

7. Prevention, Reporting and Protection

- If signs of a violation are identified, immediately stop the activity and report it to a supervisor or the compliance/ethics management department.
- Protect good-faith whistleblowers and prohibit retaliation.
- Intentional or material violations may result in personnel action, disciplinary measures and restrictions on transactions.

8. FAQ - Examples of Questions in the Field

Q1. What should I do if a competitor at an industry association seminar asks, "How are prices

these days?"

- A. Do not share any sensitive information, including prices, costs, margins or production volume. Refuse to answer and, if necessary, leave the place and record the reason.

Q2. What should I do if a new business partner shows a competitor's price list and asks for a price reduction?

- A. Do not receive, keep or copy the price list. Request that it be immediately returned or destroyed, report the matter internally and renegotiate based on independent criteria.

Q3. Can we announce a special promotion to the whole industry as a "signal"?

- A. Public announcements that may cause anti-competitive effects are prohibited. Follow official marketing policies and internal approval procedures.

9. Self-Checklist Before Starting Work

- Am I in a situation where I could share or receive sensitive information such as prices, costs or customers with a competitor?
- Are proposals, bids and contract terms based on independent judgment and evidence that can be verified?
- Can business partner selection, evaluation and payment terms be explained with objective criteria and records?
- Does the agenda for an association or meeting contain any potential competition restriction issue? Can I immediately leave and document the reason if a problem arises?
- Have sensitive transactions been approved in advance and are the expense ledger and evidence prepared?

10. Training and Inquiries

Employees may make inquiries through fair trade training schedules, training materials and the consultation channel of the compliance/ethics management department. These guidelines do not replace legal advice. Prior consultation is recommended for specific matters.

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