

Sustainable Development Best Practice Principles (Translation)

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Chapter I General Principles

Article 1 : In order to fulfill sustainable development initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, Sysgration (the Company) promulgates our own Sustainable Development Best Practice Principles (the Principles) in accordance with "Sustainable Development Best Practice Principles for TWSE/GTSM listed companies" to manage economic, environmental and social risks and impact.

Article 2 : The Principles apply to the Company, including the entire operations of the Company and its business group.

The Company actively fulfills our sustainable development in the course of business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3 : In fulfilling sustainable development initiatives, Sysgration shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

Article 4 : To implement sustainable development initiatives, the Company shall follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of sustainable development information.

Chapter II Exercising Corporate Governance

Article 5 : The company shall exercise the due care of good administrators to urge the company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies.

The board of directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its sustainable development initiatives:

1. Identifying the company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines.
2. Making sustainable development the guiding principle of the company's operations and development and ratifying concrete promotional plans for sustainable development initiatives.
3. Enhancing the timeliness and accuracy of the disclosure of sustainable development information.

Article 6 : For the purpose of managing sustainable development initiatives, The Company is advised to establish a sustainable development framework and an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the sustainable development policies implementation and to report on the same to the board of directors on a periodic basis.

Article 7 : Sysgration shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Article 8 : Sysgration shall follow "the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies" and "the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 9 : Sysgration shall comply with laws and regulations in conducting operational activities and implement the following guidelines to foster an environment of fair competition:

1. Avoid engaging in unfair competition.
2. Faithfully fulfill tax-related obligations.
3. Not tolerate bribery or corruption and establish appropriate management systems.
4. Comply with internal operational procedures when making or offering donations.

Chapter III Fostering a Sustainable Environment

Article 10 : Sysgration shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations.

Article 11 : Sysgration shall endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 12 : Sysgration is advised to establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
2. Establishing measurable goals and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Reviewing goals for environmental sustainability and progress on a regular basis.

Article 13 : Sysgration is advised to establish a dedicated unit or assign dedicated personnel for maintaining relevant environment management systems and should hold environmental education courses for their managerial officers and employees regularly.

Article 14 : Sysgration are advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, production and services in accordance with the following principles to reduce the impact on the natural environment from company's business operations:

1. Reduce resource and energy consumption of products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 15 : To improve water use efficiency, Sysgration shall properly and sustainably use water resources and establish relevant management measures.

Sysgration shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 16 : Sysgration is advised to assess climate change may cause impacts on business operation, based on business status and compiled statistics on greenhouse gas emissions, to establish policies for energy conservation, carbon and greenhouse gas reductions strategies. The companies' carbon reduction strategies should take into consideration of obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter IV Preserving Public Welfare

Article 17 : Sysgration shall comply with relevant labor laws and regulations to guarantee the legal rights and benefits of its employees, respect the International Bill of Human Rights, and establish appropriate management methods and procedures.

Article 18 : Sysgration shall provide information for its employees so that the employees have knowledge of their rights under the labor laws of the countries where Sysgration has business operations.

Article 19 : Sysgration shall provide safe and healthful work environments for its employees, including necessary health and first-aid facilities, and shall endeavor to prevent occupational accidents and reduce risk factors impacting safety and health of employees.

Sysgration shall organize training on safety and health for their employees on a regular basis.

Article 20 : Sysgration shall create a favorable environment for the career development of employees and establish effective training programs to foster their career skills.

Article 21 : Sysgration shall establish a communication platform for employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.

Article 22 : Sysgration shall take responsibility for their products and marketing ethics seriously. Sysgration shall establish and disclose consumer rights policies to ensure implementation of its consumer rights policies.

Article 23 : Sysgration shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of their industries.

Article 24 : Sysgration shall provide a clear and effective procedure for accepting consumer

complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 25 : Sysgration shall assess the impact of its procurement on the environment of the community that they are procuring from as well as on society and shall cooperate with their suppliers to implement the sustainable development initiative.

Article 26 : Sysgration shall promote community development by means of commercial activities, donations, volunteering service or other charitable professional services, participating in events held by citizen organizations, charities and local government agencies relating to community development and community education.

Chapter V Enhancing Disclosure of Sustainable development Information

Article 27 : Sysgration shall disclose information according to relevant laws, regulations and the "Corporate Governance Best Practice Principles" and shall fully disclose relevant and reliable information relating to their sustainable development initiatives to improve information transparency.

Relevant information shall be disclosed include but not limited to the following :

1. The rules, strategies, policies or management guidelines for sustainable development initiatives resolved by the management team.
2. The risks and the impact on the corporate operations and financial condition arising From exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the sustainable development initiatives established by the Company.
4. Results of Implementing sustainable development initiatives.
5. Other information relating to sustainable development initiatives.

Article 28 : Sysgration when producing sustainability reports shall disclose the status of the implementation of the sustainable development initiatives. The contents are advised to include but not limited to the following:

1. The framework, policy and concrete promotion plans for implementing sustainable development initiatives.
2. Major stakeholders and their concerns.
3. Implementing results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare.
4. Future improvements and goals.

Chapter VI Supplementary Provisions

Article 29 : Sysgration shall at all times monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve its sustainable development framework and to achieve better performance of its sustainable development initiatives.

Article 30 : The promulgation and amendment of the Principles shall be approved by the Board of Directors.