

# Chicony Power Technology Co., Ltd.

## Risk Management Policies and Procedures

### Article 1 Purpose

These policies and procedures are formulated to improve corporate governance, implement risk management in business operations, and ensure the integrity of the company's risk management system.

### Article 2 Scope

This policy and procedure applies to risk management at all levels of the Company.

### Article 3 Risk Management Organizational Structure

The Company's Board of Directors is the highest decision-making body for the Company's risk management. The General Manager serves as the convener to coordinate and direct the promotion and operation of the risk management plan. Managers and employees from various departments participate in the promotion and implementation.

### Article 4 Risk Management Responsibilities

#### 1. Board of Directors:

The Company's Board of Directors is the highest unit responsible for the Company's risk management. Its goal is to comply with laws and regulations, promote and implement the Company's overall risk management, clearly understand the risks faced by the Company's operations, and ensure the effectiveness of risk management.

#### 2. Audit Office:

The Company's Audit Office is an independent department under the Board of Directors. It is responsible for implementing internal audits to assist the Board of Directors and managers in examining and reviewing deficiencies in the internal control system and measuring the effectiveness and efficiency of operations. It also provides timely improvement suggestions to ensure that the internal control system is continuously and effectively implemented and serves as a basis for reviewing and revising the internal control system.

#### 3. General Manager:

The General Manager is the convener of the company's risk management plan and coordinates and directs all responsible units to carry out various tasks of the risk management plan; is responsible for business decision-making risk assessment and implementation of response strategies, media public relations and external liaison matters, and the allocation and response of human resources.

#### 4. Financial Center:

The Company's Finance Center is responsible for the assessment of financial risks.

#### 5. Information Department:

The Information Technology Department of our company is responsible for strengthening information security management and controlling the confidentiality, integrity, availability and possible risks of non-compliance with relevant regulatory requirements of information assets, so as to effectively and reasonably reduce corporate operating risks.

#### 6. All business and management units:

Each departmental and unit supervisor should conduct risk assessment and control in daily management operations, emphasize comprehensive risk control by all employees, and implement prevention measures at all levels on a regular basis to help the company control the risks involved within an acceptable range.

### Article 5 Risk Management Process and Procedures

The Company's risk management is based on the Company's relevant policies and internal control systems. Each responsible unit identifies, analyzes, measures, monitors, responds to, and reports risks based on the characteristics and impact of risks related to its business, and improves response measures.

The risk management procedures and their implementation results shall be recorded, and the company shall report the risk status to the board of directors regularly for management reference.

## Article 6 Risk Management Implementation

The implementation of risk management is based on the three-tier division of labor structure of risk management:

Risk Management Level	Risk Management Operations
Frontline Responsibility	Each unit or business contractor is responsible for the risks of the business it undertakes and must perform its business in accordance with the internal control system and internal regulations of the relevant business. It is the direct unit for initial risk discovery, assessment and control.
Second Line Responsibility	The responsible head of each department or the designated departmental risk management personnel shall be responsible for the risk management of the relevant business, and shall review the internal regulations based on the actual business operation. They shall also pay attention to the latest regulatory additions (amendments) and business-related orders announced by the competent authority, and may add (amend) relevant internal regulations when necessary.
Third Line Responsibility	The General Manager shall review the integrity of the Company's major risk management mechanisms, including hazards, operations, finance, strategy, regulations and contracts, and shall monitor the relevant risks of each unit in accordance with this policy and procedure and relevant risk management methods.

## Article 7 Risk Monitoring

The Audit Office actively supervises each executive unit to comply with approval authority and relevant management methods and procedures to ensure the risk management awareness and implementation strength of all employees.

## Article 8 Risk Information Disclosure

In addition to disclosing relevant information in accordance with the regulations of the competent authority, this company should also disclose information related to risk management in its annual report and on its website.

## Article 9 Implementation

This policy and procedure shall be approved by the Audit Committee and then implemented by the Board of Directors, and the same shall apply to amendments.