

The Situation of Integrity Management Operation

Evaluation items	Operational situation			The difference for Integrity Management Act of the listed companies
	YES	NO	Summary	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1) Does the company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) Tycoons Group Enterprises Co., Ltd. (the "TGE") has established "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct", passed by the Board of Directors. Integrity is the most important core value of TGE's culture. TGE is committed to acting ethically in all aspects of our business.	There is no major differences and the relevant systems will be established gradually.
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	V		(2) TGE enacts "Procedure for Ethical Management and Guidelines for Conduct" according to "Ethical Corporate Management Best Practice Principles". Among them, it is clearly stated that unethical behaviors of accepting/taking bribes, fraud, and insider trading are prohibited. Disciplines and appeal system are also clearly stated and executed in internal personnel regulations.	There is no major differences and the relevant systems will be established gradually.
(3) Whether the company has established relevant policies that are duly enforced to prevent unethical conduct, provided	V		(3) TGE formulates procedures, guidelines for conduct, disciplines and appeal system in "Procedures for Ethical Management and Guidelines for Conduct" and "Treatment	There is no major differences and the relevant systems will be

The Situation of Integrity Management Operation

Evaluation items	Operational situation			The difference for Integrity Management Act of the listed companies
	YES	NO	Summary	
implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?			for Reported Illegal and Unethical Cases”.	established gradually.
2. Ethic Management Practice				
(1) Whether the company has assessed the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?	V		(1) TGE has explicitly stated in all business agreements the relative rules and regulations of ethical corporate management which emphasizes on the prohibition of giving or taking bribes.	There is no major differences and the relevant systems will be established gradually.
(2) Whether the company has set up a unit which is dedicated to promoting the company’s ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?		V	(2) TGE has appointed General Manager’s Office as an assisting unit, which shall assist BOD and management team to formulate ethical regulations for operation and supervise the execution to ensure the implementation. General Manager’s Office shall report to the Board of Directors at regular intervals. The latest date to report related matters to Board of Directors was November 13, 2019. There was no violation in 2019.	There is no major differences and the relevant systems will be established gradually.
(3) Whether the company has established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	V		(3) TGE has established “Procedure for Board of Directors Meetings”, “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. TGE requires employees to disassociate themselves from cases that involve their own interests. Violators are subject to disciplinary actions.	There is no major differences and the relevant systems will be established gradually.

The Situation of Integrity Management Operation

Evaluation items	Operational situation			The difference for Integrity Management Act of the listed companies
	YES	NO	Summary	
(4) To implement relevant policies on ethical conducts, has the company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPA periodically?	V		(4) The accounting system and internal audit control system were established. Internal auditors make the audit plan based on risk ranking and execute, also report to Board of Directors. There is no violation of ethical corporate management.	There is no major differences and the relevant systems will be established gradually.
(5) Does the company provide internal and external ethical conduct training programs on a regular basis?	V		(5) TGE holds irregularly meeting for making announcements of the relative policies to the employees, and includes the relative rules and regulations of “Ethical Corporate Management Best Practice Principles” which shall be reviewed by new employees.	There is no major differences and the relevant systems will be established gradually.
3. Implementation of Complaint Procedures				
(1) Does the company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	V		(1) TGE has enacted “Treatment for Reported Illegal and Unethical Cases” and “Whistleblowing Policy”. Through various reporting channels provided on TGE's website, reporters can report to those units which include spokesman, acting spokesman, management team and auditing division.	There is no major differences and the relevant systems will be established gradually.
(2) Whether the company has established standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a	V		(2) TGE has establishes the mechanism for the personnel to report on the unethical practices of others in “Treatment for Reported Illegal and Unethical Cases” and “Whistleblowing Policy”. The coherent department will start to collect the evidences and investigate with secrecy once it receives the	There is no major differences and the relevant systems will be established gradually.

The Situation of Integrity Management Operation

Evaluation items	Operational situation			The difference for Integrity Management Act of the listed companies
	YES	NO	Summary	
confidential manner?			notice.	
(3) Does the company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	V		(3) TGE has stated in “Treatment for Reported Illegal and Unethical Cases” that TGE shall not disclose the name, title, and other identity information of reporting personnel, and relative documents shall be confidential processing.	There is no major differences and the relevant systems will be established gradually.
4. Information Disclosure Does the company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (“MOPS”)?	V		TGE has disclosed relevant information on integrity management on the website and uploaded relevant regulations to the Market Observation Post System (the “MOPS”).	There is no major differences and the relevant systems will be established gradually.
5. If the company has established corporate governance policies based on Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation. No major difference.				
6. Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy). In order to establish a sound mechanism on corporate governance and risk control, TGE has amended parts of the article of its “Ethical Corporate Management Best Practice Principles” passed by BOD on November 13, 2019 and uploaded it to official websites and the MOPS for better understanding of the operation of ethical corporate management.				