

# Code of Business Ethics

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## CHAPTER 1 GENERAL PROVISIONS

### **Article 1(Purpose)**

In order for all stakeholders of BGF Retail Co., Ltd. (hereinafter referred to as the “Company”) to be satisfied and proud, the purpose of this Ethics is to set the basic principles of proper thinking and behavior that the company's executives and employees must follow based on the management philosophy and sound organizational culture of the company that seeks to grow into a company that realizes value for customers and contributes to social development.

### **Article 2(Scope of Application)**

The Code of Business Ethics applies to the Company, including subsidiaries, Executives and employees who work for organizations covered under the scope of this Code of Business Ethics should comply with local laws and perform their duties in accordance with the Code of Business Ethics. Moreover, all stakeholders holding contractual relationships with the Company should respect the content and spirit of this Code of Business Ethics.

## CHAPTER 2 Responsibilities and Obligations to Customers

### **Article 3(Respect for customers)**

The Company listens to customers' legitimate requests and reasonable suggestions and strive to come up with solutions.

### **Article 4(Protection for customers)**

The Company protects customer information and complies with laws and regulations related to information protection.

### **Article 5(Satisfaction for customers)**

The Company strives to provide products and services that meet the needs and expectations of customers in a timely manner, and cooperate in providing information needed by customers, unless they are considered the company's trade secrets.

## **CHAPTER 3 Responsibilities and Obligations to Partner Companies**

### **Article 6(Equal Opportunities)**

- ① The Company shall provide its qualified partner vendors with equal opportunities to supply their goods and services to the Company. In addition, the company does not engage in acts that impede fair competition between companies.
- ② The Company shall register and select all applicants in a systematic manner, following a fair and objective evaluation process.

### **Article 7(Prohibition of unethical conduct)**

- ① Company must not disrupt fair competition by misusing their superior position or forcing unfair practices on our partners, and must comply with the following subparagraphs.
  - 1. If relevant, the Company shall ensure the partner vendor is notified of suspension of transaction with legitimate cause.
  - 2. In no case may the Company unfairly and unilaterally suspend transaction with any partner vendor for the fairness' sake.
- ② The Company does not engage in actions that unfairly pass on costs to partners.
- ③ The Company does not inform partners of anniversaries or congratulations and condolences of executives or employees in an official or indirect way.
- ④ The Company does not force or arrange rebates from partners, or accept money or valuables through them.
- ⑤ The Company does not unreasonably delay work relevant to partners or solicit personnel requests from them.
- ⑥ In no case may any officer or employee of the Company receive gift and valuables of any value upon, without limitation, any public holiday, celebration or business trip.
- ⑦ The Company explains that if a partner provides money or other valuables, they may be subject to penalties with regard to business and must immediately reject or

return it.

#### **Article 8(Mutual-development)**

- ① The Company recognises our partner as strategic partner for promoting business based on mutual trust.
- ② The Company pursues mutual development through legal support so that our partner can develop a competitive edge.
- ③ The Company pursue mutual efforts and cooperate with our business partners in promoting a healthy business environment and maintaining fair business processes.

### **CHAPTER 4 Fundamental Ethics**

#### **Article 9(Fundamental Ethics)**

- ① All BGF Retail employees and executives will uphold the rights values and fulfill the given mission through continuous self-development and fair job performance.
- ② All BGF Retail employees and executives will take pride, build self-esteem, and maintain an honest and fair attitude.
- ③ All BGF Retail employees and executives will strive to maintain the dignity of themselves and the honor of the company at all times.
- ④ When executives and employees witness or become aware of a violation of ethical management, They must report it to the department in charge of ethical management.

#### **Article 10 (Performing Missions in line with Corporate Value Chain)**

- ① Executives and employees of the Company shall understand the corporate objectives and values, and perform the entrusted missions with sincerity.
- ② Executives and employees of the Company shall recognize and stay within the entrusted rights and responsibilities in making any decisions and conducting any behaviors.
- ③ Executives and employees of the Company shall be able to predict and manage any potential risks, and stay responsible for any problems arising from such decisions and behaviors.
- ④ Executives and employees of the Company shall improve work efficiency through active co-operation and efficient communication between colleagues and related

department.

- ⑤ Executives and employees of the Company shall protect and preserve company property and maintain confidentiality on information gained during employment.

### **Article 11(Self-development)**

All BGF Retail employees and executives will independently make and implement self-development plans to upgrade qualification and improve skills.

### **Article 12(Fairness in Businesses)**

- ① Executives and employees of the Company shall conduct businesses fairly, and get as transparent and reasonable as possible in handling any businesses that are not or vaguely covered by the internal rules and regulations.
- ② In no case shall employees and officers of the Company receive any monetary benefit from any interested person who may affect fairness of business.
- ③ In no case may an employee direct its junior colleagues to conduct any unethical deeds not in compliance with the internal rules and regulations. An employee or officer of the Company shall have a right to deny any such order.
- ④ In no case shall employees and officers of the Company conduct any unethical, illegal deeds that are not socially accepted.
- ⑤ Employees and executives shall not lend or borrow money each other, or act as surety for each other.
- ⑥ Employees and executives shall not make improper solicitations to stakeholders or provide economic benefits such as money and valuables outside the laws and social norms..
- ⑦ If it is judged that a behavior conducted by a person who performs company-related duties violates or is likely to violate anti-corruption laws or company regulations, it shall be reported in accordance with internal procedures.

### **Article 13(Mutual Respect)**

- ① Employees and executives of the Company shall behave with decency and not slander others or engage in indecent behaviors and comments.
- ② Employees and executives of the Company do not form factions or private groups that can cause discomfort in the organization.
- ③ Employees and executives shall complete the sexual harassment prevention training in the workplace
- ④ Employees and executives shall not engage in sexual invitation, words or actions that

cause sexual humiliation, or unnecessary physical contact.

- ⑤ Employees and executives shall not access pornographic sites in the workplace and shall not show others or watch pornography through a variety of publications, videos, or mail or using electrical/electronic devices.

#### **Article 14(Information Protection)**

Employees and executives protect and manage company information and trade secrets, and comply with the company's security standards.

#### **Article 15(Conflicts of Interest)**

- ① Employees and executives shall not cause or participate in a conflict of interest in relation to the company's legitimate business attempt.
- ② When avoidance of conflicts of interest between the company and individuals is unavoidable, executives and/or employees must prioritize the interests of the company and customers to act within the legal scope.

#### **Article 16(Money Laundering and Insider Trading)**

- ① Employees and executives shall not engage in activities related to money laundering by stakeholders.
- ② Executives and employees shall not divulge confidentiality, knowledge, or information learned during the performance of their duties or use them for personal gain.

### **CHAPTER 5 Corporate Responsibilities for Employees**

#### **Article 17(Respecting Humanity)**

- ① The Company shall treat each employee with warmth and trust and values every individual's dignity.
- ② The Company shall make every effort to help employees feel pride and personal fulfillment by giving them a sense of ownership in their jobs.
- ③ The Company shall ban any and all activities, online and offline, that may insult or damage human dignity, such as verbal abuse, sexual harassment, mental or physical coercion, corporal punishment, ostracization, and threats.

#### **Article 18(Fair Treatment)**

- ① The Company shall offer equal opportunities to all its employees based on their abilities and talents.
- ② The Company shall evaluate the abilities and performance of its employees using fair means and rewards them accordingly.
- ③ The company shall not make any discrimination of employment, promotion, rewards, and training opportunity based on employees' race, nationality, gender, education, religion, culture, disabled, marriage, property, political bias.

#### **Article 19(Talent Training)**

- ① The company shall have in place, and actively utilize and support the necessary institutions that systematically manage human resources to develop recruits into autonomous and creative human assets.
- ② From the point of view of talent training, the supervisor shall give all necessary advice and guidance in consideration of the subordinate's aptitude and talent.

#### **Article 20(Creating conditions for job performance)**

- ① The Company strives to provide a work environment that is legal and where our employees' work and life are harmoniously balanced.
- ② The company conducts compulsory education to prevent sexual harassment in the workplace.
- ③ The Company shall comply with the labor laws of the countries where we have business operations, and ban child labor and forced labor in workplace.
- ④ The company shall commit to taking all measures necessary to ensure the safety and well-being of our executives and employees, and to maintain working environments safe from occupational accidents, injuries, disasters, disease and contagion.

### **CHAPTER 6 Responsibilities to the Nation and Society**

#### **Article 21(Sound corporate activities)**

- ① The company shall respect social values by undertaking practical and healthy business activities. while complying with all laws and regulations relevant to corporate activities.
- ② The Company rejects all irregularities that hinder sound corporate activities and prepare institutional systems such as notifying and reporting for internal control.

- ③ The company shall strive to provide long-term benefits to shareholders through rational investment and efficient management.
- ④ The company shall respect the rights, opinions and reasonable requests of shareholders.
- ⑤ The company shall strive to make stable profits and increase the market value of the company with robust business operations.

#### **Article 22(Contribution to national and social development)**

- ① The Company contributes to national development through continuous job creation.
- ② The Company contributes to national development through dutiful reporting and payment of tax, and social development through cultural and welfare projects.
- ③ The Company respects individual political rights and political will but does not engage in politics or allow any political activities within the company.
- ④ The Company does not use the company's funds, personnel, facilities, etc. for political purposes and does not provide money or valuables such as illegal donations.

#### **Article 23(Protecting Environment)**

- ① The Company shall render its best to prevent environmental pollution and protect and preserve environment.
- ② The Company shall stay in compliance with the governing rules and regulations related to environmental protection.
- ③ The Company takes the lead in the efficient use of resources, such as recycling of resources.
- ④ The Company does not engage in corporate activities that violate environmental protection and strive to become an environment-friendly company.

### **Supplementary Rules**

#### **Supplementary Rules(1 November 2017)**

This Code of Ethics became effective starting November 1, 2017.

#### **Supplementary Rules(Amended by 1 March 2018)**

This Code of Ethics became effective starting March 1 2018.

#### **Supplementary Rules(Amended by 7 July, 2022)**

This Code of Ethics became effective starting July 7 2022.