

# Code of Conduct





## Dear colleagues and partners,

For decades, we have dedicated ourselves to establishing a workplace environment that emphasizes dignity and self-realization that unites employees with a common goal and that provides customers and partners with the best products and services. We commit our core values of respect, trust, partnership, freedom and life. We know products and technologies change with the times, and the only constants are the beliefs of individuals and companies. These beliefs support us when we face changes at work and in our personal lives. Without them, we would just be living without souls.

In the future, the progress of human civilization and changes to society will go far beyond our present day imagination. In the face of rapid change, Hermes-Epitek will maintain high moral standards:

**To put honesty and integrity first, practice what we preach,  
and become competent citizens of society.**

All employees and partners of Hermes-Epitek represent Hermes-Epitek, wherever they go. Every person's judgment, how they handle tasks, how they treat employees, clients, manufacturers, vendors, suppliers, society, and the earth, will determine how the world sees Hermes-Epitek. How you and I are seen shapes the image of what Hermes-Epitek is as a company, and how it will be seen in the future.

This code of conduct matches Hermes-Epitek's beliefs and universal values. As you fulfill your tasks in different regions among different cultures, to enjoy success, dignity and happiness, you should follow this guide and consistently display good manners.

Once again, thank you for your selflessness and your persistent endeavor. By making our fellow colleagues better people and Hermes-Epitek a better company, everyone working here will feel a sense of accomplishment, enjoy a fulfilling family life and perhaps also contribute to society. Let us start small, and realize these goals!



Archie Hwang  
Chairman & CEO  
December 2017

## Dear colleagues and partners,

Thanks to your hard work and contributions over the years Hermes-Epitek continues to receive positive affirmation from clients, manufacturers, and society. For this we should be proud.

The world is changing; there is an economic power shift, and leaps in technological advancement are creating unlimited demand for semiconductor equipment. Hermes-Epitek's future will depend on how we operate outside the box of linear thinking, see opportunities, think critically, and create new situations. At the same time, for the company to be sustainable, we should look back and uphold the values and principles of Hermes-Epitek.

In short, the establishment of every corporation entails social responsibility. Although companies strive to turn profits, it is only by being selfless and compassionate and sharing values held with clients and partners that win-win situations can be created and contributions made to society. Based on this belief, Hermes-Epitek established its corporate values. That is why Hermes-Epitek has always upheld the following management principles:

### **Care for people, strive for harmony, and prioritize performance.**

Provide clients and partners with the best service, create shared values, and share collaborative results.

A robust code of conduct is the extension of a company's culture and values; it provides guidance on how to act. It cannot cover all scenarios, but if employees understand its meaning, they can establish a basis and viewpoint to guide their actions. This Hermes-Epitek Core Value and Code of Conduct can be applied to different work scenarios to help employees make appropriate decisions consistent with the interests of the company, clients and partners while still upholding universal values.

When in doubt, please contact your supervisor or the HR department so that the company can provide timely professional support and assistance. [Listen\\_and\\_Care@hermes.com.tw](mailto:Listen_and_Care@hermes.com.tw)

Thank you once again for your contributions and efforts to better Hermes-Epitek.



Chin-Yung Shu  
President & COO  
December 2017

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# Core Values

## Dignity

When we are praised for outstanding performance, and still remain humble and gracious while truly feeling respect from others, it perfectly embodies the concept of dignity.

At work, rather than just minding each other's positions and standpoints, we focus on heading in the right direction, making sure goals are met, and gaining a sense of honor for one's professionalism. This creates an atmosphere where everyone can be creative and productive. We believe that this will provide everyone in the company with a sense of accomplishment as well as dignity and happiness.

## Trust

There are two kinds of trust: trust in someone's character, and trust in someone's ability. Mutual trust is based on being able to be trusted; that is an important first step.

Trust is not just an emotion; it is a valuable asset. If you have a broad outlook and open mind, and conduct all tasks faithfully and honestly, then you can create strong mutual trust. Teams that combine talent with mutual trust are the greatest assets a company can have.



# Partnership

A diverse group of people with mutual trust, shared beliefs, and shared values, that are happy to work together, establish a self-managing team with reward systems within the organization. Create an inter-departmental organization based on shared goals or missions to become a true team. Develop strong mutual trust with colleagues, partners, and clients to provide services.

Greater values and bigger possibilities are always created by working together rather than alone. With this belief, viewing and sharing situations with a thankful attitude establishes a great spirit of partnership.



Be courageous when trying different ways of organizing, creating different cultures and styles, and pursuing a creative work style. Enrich our inner lives by living out our values.

People or groups with outstanding characters enhance the company's chance of business success, improve the quality of life and accumulate positive energy within the company to ultimately realize our management principle of creating a free space. In short, manage our company our own way: "Do things our own way". This freedom is extremely valuable.

# Freedom

# Life

Create a pleasant, high quality work environment; make work an important part of life; cleverly combine work and life to achieve a balance between the two wherein each enriches the other.

We are passionate about work and life; moreover, we respect life. The true meaning of work, ultimately, is to dedicate ourselves to life, for ourselves, for our families, and for people who may or may not be connected to us.

# Code of Conduct

## Dignity

### Code of conduct pertaining to the core value of "Dignity"

- We firmly believe that being treated equally and with respect is a basic human right and the basis of a company's sustained development.
- We offer everyone equal work opportunities and a dignified working environment. When hiring, we focus on professional skills and traits that match the Hermes-Epitek culture, and oppose any form of discrimination, harassment, or bullying.
- We obey the law, adhere to fair competition, and hold ourselves above normal standards. We provide the highest quality service by meeting clients' needs, winning respect, and enjoying life.

When you face potential doubts or conflicts regarding your actions, the following questions can help you make decisions:

- Will this action harm my reputation or that of Hermes-Epitek?
- If this action is made public, will it be awkward for me?

If the answer to either of these questions is "yes", you should cease your action immediately and assure it does not reoccur.

## Tips

Q: The purpose of corporations is to achieve profits. Therefore, isn't it too unrealistic and far-fetched to talk about dignity?

A: Quite the contrary. For example, the US Embassy Suite Hotel's policy to customers is: "Don't like it, don't pay". After checking in, if you are not satisfied, you don't have to pay. How confident, dedicated, and dignified this principle is! Our goal is to display world-class services and dignity.

Hermes-Epitek exists in an industry where just 'doing the right thing' or 'not doing things wrongly' is not enough. It is an industry where only those that are 'praised constantly' can stand out. This creates difficulties. Although this ideal goal is set high, it is not a fantasy. Within every one of us is an image of our greater selves; hopefully we can all work towards making that image real. Without this goal, companies will become mere shells that chase after positions and profits, a shame for the company and the lives of those that work in it. If a company can earn people's sincere respect, the chance of its failure becomes minuscule.

# Trust

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## Code of conduct pertaining to the core value of "Trust"

- Both the company and its employees are pursuing dignity. When people uphold high moral standards, are cautious yet honest and put the group's interest above personal interest, they can trust one another, rely on each other, and display the power of teamwork.
- We respect and protect our partners' and company's intellectual property and will not discuss private information, such as information about financial statements, sales, mergers, products, technologies and human resources etc. We view honesty as an asset supporting the company's sustained development.
- We do not use our positions at work for personal gain and promise not to accept any bribes for illegal profit.

## Tips

Q: The Company currently offers taxi billing. Employees on business trips can hand the billing form to taxi drivers and have the company pay for the ride. But Duncan has been using company taxi billing to pay for his commute from his home to the company. How should this be handled?

A: Hermes-Epitek provides taxi billing for employees on business trips, operating on a principle of good faith, deeming prior review unnecessary. If Duncan uses company resources for his private use, by making the company pay for his personal commute, this is clearly an act of dishonesty. The company has established a system built on trust, where people act according to their own conscience. In order to maintain this great system, supervisors should be notified of this infraction.

# Partnership

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## Code of conduct pertaining to the core value of "Partnership"

- We highly value teamwork, paying equal attention and care to the role that each and every employee with different positions and competencies play, as well as their contributions to the company.
- We attract employees who believe in teamwork, help them enhance their professional capabilities and internalized a part of the corporate culture.
- With common goals, missions, and values, we encourage employees to pursue excellence. Therefore, we strive to avoid bureaucracy, break down boundaries between positions, and achieve our goals with a practical, mission-oriented style, so that all employees can contribute their talents.

# Tips

Q: The Company has just landed a large order, who should receive the highest honor?

A: The Company is united as one. If the sales manager sealed the deal, of course, appreciation is due. At the same time, engineers on the front lines worked hard for a long time to establish a good reputation, sales assistants helped execute projects, and the finance, legal, administrative, and other departments provided support. They are all behind the scenes heroes.

A Formula One race team is made up of the driver, the coach, the mechanic, and other members. Besides doing their jobs to the best of their abilities, they also need to coordinate down to the second, and realize that their goal can only be achieved when everyone is doing their job. It's a matter of all hands on deck, for them to have the chance to win the championship. Teamwork within a company is the same. We value and respect the professional contributions of every employee.

## Freedom

### Code of conduct pertaining to the core value of "Freedom"

- We promise to follow all legal regulations in areas where we operate. We believe in each individual's personal dignity and promise to follow the code of conduct to create an understanding work environment, a place for thinking, discussion, and innovation.
- We respect everyone's political and religious beliefs; the company will not interfere with, or restrict employees' practice of their beliefs during non-working hours. Employees are prohibited from taking part or managing any organizations or groups that are prohibited by the government of our place of operation.
- We value free thinking and constructive comments. We respect the freedom to share opinions and self-managing cultures, to be creative, take responsibilities, and complete the mission at hand.

# Tips

Q: Dorothy divulged classified information about the development of a client's new product to the higher-ups of a certain listed company, in exchange for undisclosed information that the company was about to be part of a merger. How should we view this incident?

A: If Dorothy thinks that sharing client's classified information in exchange for valuable information is within the freedom of the job, she would be making a serious mistake. The company might forever lose the trust of clients, and she has placed herself and the company in legal and moral jeopardy. Also, if Dorothy and her friends and family used the information she acquired to buy or sell stocks, she might face civil or criminal liabilities regarding insider trading.

If you are Dorothy's coworker, this should be reported to the supervisor, or to the department head or HR department.

Q: If a colleague who has obvious political or religious views, actively solicits funds to support those views within the company, and often asks other colleagues about their political or religious stances, how should it be handled?

A: As long as the political group or religion is a legally established group or foundation in our place of operation, their civil freedom should be respected. However, company policy is that we will not take part in political or religious events, and we prohibit employees from promoting political or religious events during working hours.

## Life

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### Code of conduct pertaining to the core value of "Life"

- We strive to promote technological advances, hoping to give people a better life, a healthier future, and a sustainable earth. We care about the development of the community, country, and humankind, and hope that our efforts can help others make life more meaningful and joyful.
- We actively strive to assure employees have a safe working environment and help them achieve a healthy, well-balanced lifestyle.
- We strive to shape the company into a learning organization that provides systematic educational training to help develop talent and advantages.

Q: Peter is a carrier of hepatitis C, and recently suffered from acute hepatitis. Hepatitis C is said to be contagious. How should his colleagues and supervisors handle this?

A: A contagious disease does tend to cause panic among those that are close to the patient, but in fact, hepatitis C is transmitted through blood or bodily fluids. Daily interactions at work would not pass on the disease. If such a situation as described occurs in the company, the Health Center will provide professional health education to prevent any unnecessary concerns and to ensure comprehensive workplace safety and employees care. With regard to treatment, the health insurance policy recently changed, so that the new treatment for hepatitis C, which would cost hundreds of thousands of dollars, is now covered by health insurance. Hermes-Epitek's health-related supervisors will actively provide employees with medical news to help them lead healthier lives.



Because of our employees' promise and dedication to follow the aforementioned values, we are sure to help one another become better people and to foster a more respected corporation. While pursuing mutual goals, with an altruistic mindset we can elevate our spirits, develop the wisdom to care for the world and contribute to humanity's sustainability.

If you have any suggestions for the implementation of the aforementioned concepts, Hermes-Epitek would be glad to hear them.

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