



QUALITY PROCEDURE

Corporate Policy on Anti-Bribery and Anti-Corruption

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Adopted: February 10, 2009

Updated: April 6, 2021

Employees, officers, and directors of Diodes Incorporated and its subsidiaries (collectively, “**Company**”) are expected to comply with all United States and other applicable local laws and regulations, and to conduct business activities ethically. The Company will conduct business in compliance with all applicable laws and regulations, including anti-bribery and anti-corruption laws and regulations in jurisdictions in which it operates, including the United States Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act 2010, and other anti-bribery and anti-corruption legislation applicable to the Company. All third parties, including agents, contractors, consultants, intermediaries, suppliers, and distributors, who represent the Company, act on behalf of the Company, or provide services and products to the Company (collectively, “**Business Partners**”), are expected to comply with these anti-bribery and anti-corruption laws and regulations as well as this Policy. Employees, officers, and directors of the Company are hereinafter referred to as “**Diodes Personnel**.”

This Policy sets forth the Company’s policies and procedures to prevent and detect acts of bribery and corruption. It is against the Company’s policy to offer, promise, pay, solicit, or accept bribes or kickbacks, whether in cash or any other form, to or from private individuals, Government Officials, or Public Officials in order to secure any improper advantage, to obtain or retain business, or to influence any such person to act favorably toward the Company. Special rules apply with respect to interactions with Government Officials and Diodes Personnel must follow the guidance set forth in the Company’s policies and consult with the Company’s Legal Department.

For the purpose of this Policy, “**Government Official**” includes any official, employee, candidate, or representative of a government (including any government agency, department, or enterprise), political party, or public international organization such as any officer or employee of any level of federal, state, provincial, county, and municipal government, and employees of businesses or companies wholly or partially owned, funded, operated, influenced, or controlled by a government. A “**Public Official**” means an individual who holds a legislative, administrative, or judicial position of any kind, who exercises a public function or who is an official or agent of a public international organization.

Diodes Personnel are required to acknowledge this Policy at the time of hire and periodically thereafter stating that: he or she has received and read this Policy and agrees to comply with its provisions; he or she understands that this Policy specifies the minimum standards of business conduct to which he or she must conform; he or she should promptly disclose to the Company any activities which do not comply with this Policy; and the Company may modify or rescind any provisions in this Policy at any time without prior notice. It is Diodes Personnel’s responsibility to promptly notify the Company’s Internal Audit Manager and Legal Department of any disclosures required by this Policy.

1. Payments to Government Officials or Public Officials or to Employees of Customers or Business Partners. No Diodes Personnel should, directly or indirectly, offer, promise, make, solicit,



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or receive any payment (including anything of value) to secure, maintain, or direct business, or for any other purpose (including to induce a person to improperly perform a function in relation to the business or that is public in nature), to or from any Government Official or Public Official or to any employee of a customer or Business Partner, without the prior written approval of the Company's Chief Financial Officer and subject to a prior mandatory review by the Company's Internal Audit Manager and the Company's Legal Department. This Policy applies to payments (and anything of value) to private individuals as well as public officials and to payments (and anything of value) made indirectly through a third party.

For the purpose of this Policy, "**anything of value**" includes, without limitation, any gift, travel, hotels, meals and entertainments, offering of internship or employment to a family relative of a Government Official, Public Official, customer, or business partner, or making a charitable contribution at the request of a Government Official, Public Official, customer, or Business Partner.

2. **Cash and Third Party Payments.** To avoid even the appearance of impropriety, no payment to any party should be made in cash or gift cards other than documented petty cash (\$50 U.S. Dollars or less) disbursements. No corporate checks should be written to "cash," "bearer," or third-party designees of the party entitled to payment. No payments should be made outside the country of residence of the recipient without the prior written approval of the Company's Chief Financial Officer. Even when making documented petty cash disbursements, consideration should be given to the nature of the payment and whether, following a common sense and reasonableness test, it is appropriate to make the payment. If Diodes Personnel have any concerns, they are advised to consult the Company's Internal Audit Manager and Legal Department.
3. **Consultants and Agents.** No Diodes Personnel may retain a Business Partner until sufficient due diligence has been performed to enable Diodes Personnel to conclude with reasonable assurance that the Business Partner is not, and is not related to or affiliated with, a Government Official or a Public Official, and that he or she understands and will fully abide by this Policy and the Company's Code of Business Conduct. Diodes Personnel should assess both the risk associated with the Business Partner, as well as the amount of proposed remuneration. Due diligence should be undertaken proportionate to the risk (i.e., the greater the risk, the more extensive the due diligence undertaken). Once Diodes Personnel is satisfied, he or she should then seek approval from the Company's Internal Audit Manager or Legal Department for the agreement. The Company must have a written agreement with each of its Business Partners, and the agreement must specifically bind the Business Partner to comply with the Company's Code of Business Conduct and this Policy.
4. **Business Entertainment, Gifts, Travel Expenses, and Gratuities.** Gifts, entertainment, gratuities, and other courtesies may be offered to and accepted from current and prospective customers and Business Partners where the gifts, gratuities, or other courtesies are ordinary and customary in the country, comply with applicable local laws and regulations, do not create a conflict of interest, and where the required approvals described below have been given. If Diodes Personnel are unclear



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whether a gift, gratuity, or courtesy meets these standards, they are advised to consult the Company's Internal Audit Manager or Legal Department, and also refer to the Company's Conflict of Interest Policy.

Approval must be sought from the Chief Financial Officer before gifts, gratuities, and other courtesies are offered to or accepted from prospective customers and Business Partners, where the:

- value of the gift, entertainment, or courtesy exceeds US\$500 (or its equivalent in local currencies); or
- aggregate value of gifts, entertainment, or courtesies to or from one individual exceeds US\$1,000 (or its equivalent in local currencies) over a 12-month period.

Care needs to be taken in all cases but particularly when dealing with Public Officials and Government Officials. Where a Government Official or Public Official is involved, prior mandatory review by the Company's Internal Audit Manager and Legal Department and prior written approval of the Company's Chief Financial Officer are required in all cases, regardless of the amount or value of the gift, entertainment or courtesy.

All gifts, entertainment, gratuities, and other courtesies given or received by Diodes Personnel should be recorded accurately on a register maintained by the regional and/or corporate controllers in the Company's Finance department.

Diodes Personnel should not accept anything of value if it may compromise his/her independence or judgment or could induce him/her to award or offer services or products in a biased or non-competitive manner.

Diodes Personnel should consider whether gifts, entertainments, gratuities, or other courtesies are likely to limit the recipient's ability to render impartial decisions. If such gifts, entertainments, gratuities, or courtesies could appear to others to limit the recipient's ability to render impartial decisions, the gift, entertainment, gratuity, or courtesy should not be offered.

- 5. Charitable Gifts and Donations.** Charitable gifts and donations cannot be made using the Company's funds without prior written approval from the Company's Chief Financial Officer. The Company does not seek to discourage Diodes Personnel from supporting bona fide charitable organizations through their own fundraising or individual effort outside and unconnected to their employment with the Company.
- 6. Facilitating Payments.** "Facilitating payments" are small payments (\$100 U.S. Dollars or less) to a Government Official necessary to expedite or secure performance of a routine governmental action, such as obtaining official documents, processing governmental papers, providing postal or utility services, scheduling inspections of goods for cross-country transit, or the loading or unloading of freight. Facilitating payments never include payments made to assist in obtaining or retaining



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business.

Facilitating payments, regardless of the intent of the payments, may be illegal in certain foreign countries even if making such payments is a locally recognized and open practice. Facilitating payments are subject to prior mandatory reviews by the Company's Internal Audit Manager and Legal Department and may be made only after securing the prior written approval of the Company's Chief Financial Officer.

- 7. Political Contributions.** In certain countries, political contributions are lawful and expected as a matter of good corporate citizenship. Under these circumstances, contributions may be appropriate if lawful, prudent in amount, openly made, and not likely to harm the Company's reputation if publicized and otherwise consistent with the exercise of good judgment. Use of the funds or assets of the Company, directly or indirectly, to make political contributions, directly or indirectly, must be approved, in advance and in writing, by the Company's Chief Financial Officer and are subject to reviews by the Company's Internal Audit Manager and Legal Department.
- 8. Books and Records.** Diodes Personnel must help to ensure that corporate books and records (which include virtually all forms of business documentation, including, without limitation, true and accurate expense accounts and travel and entertainment receipts) accurately and fairly reflect, in reasonable detail, all transactions and dispositions of assets. No undisclosed or unrecorded fund or asset may be established or maintained for any purpose. No Diodes Personnel should participate in falsifying any accounting or other business record, and all Diodes Personnel must respond fully and truthfully to any questions from the Company's internal or independent auditors. Diodes Personnel are required to keep accurate records for their time, and the time-keeping requirements of government contracts must be strictly adhered to. Financial transactions must be lawful, made for the purposes stated and authorized by the Company. Forging or altering documents belonging to the Company is prohibited.
- 9. Warning Signs.** Diodes Personnel must be alert for conduct that could signal that a Business Partner intends to make or conceal improper payments. This would include "red flags" like the following:

 - a request for payment for expenses or purposes inconsistent with the terms of the agreement with the Business Partner;
 - a request for payment to a third party;
 - a request for payment in a form or to a bank or business location inconsistent with the terms of the agreement with the Business Partner;
 - payments drawn from incorrect accounts;
 - lack of documentation supporting a payment request;



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- payments to a Business Partner who appears to lack the necessary qualifications or resources to perform; and
- a refusal to certify compliance with this Policy, the Company's Code of Business Conduct or applicable anti-bribery and anti-corruption laws and regulations.

10. Compliance. The Company has a principle of zero tolerance for violations of anti-bribery and anti-corruption laws or failure to comply with the Company's Code of Business Conduct or this Policy. The Company will impose appropriate disciplinary actions based on any individual violations or non-compliance situations. Disciplinary actions may include termination of employment or termination of business relationships with Business Partners.

11. Failure to Prevent. It is Diodes Personnel's responsibility to help prevent a bribe or corrupt payment being paid by a person for or on behalf of the Company.

12. Penalties. Offenses under the applicable anti-bribery and anti-corruption legislation may give rise to significant penalties, including fines and imprisonment.

13. Hotline. Diodes Personnel, Business Partners, and customers who wish to maintain anonymity and report any actual or potential violation of this Policy, the Company's Code of Business Conduct, or other ethics issues (including any concerns about accounting, internal accounting controls, or auditing matters), may call NAVEX Global at the phone number(s) below. NAVEX Global is not staffed by personnel affiliated with the Company and is the independent hotline service retained by the Company to handle any anonymous calls regarding compliance issues.

<u>Location</u>	<u>First Stage Phone Number¹</u>	<u>Second Stage Phone Number</u>
United States	855-316-2192	Not Applicable
China (North, Beijing)	10-811	855-316-2192
China	108-10	855-316-2192
China (North, Beijing)	108-710	855-316-2192
China (North, Beijing)	108-888	855-316-2192
Germany	0-800-225-5288	855-316-2192
Japan (NTT)	0034-811-001	855-316-2192
Japan (KDDI)	00-539-111	855-316-2192
Japan (Softbank Telecom)	00-663-5111	855-316-2192
Korea	00-309-11	855-316-2192

¹ Call the first stage telephone number. After connecting, follow the voice instruction to dial the second stage phone number. United States calls only dial the first stage phone number.



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Korea	00-729-11	855-316-2192
Korea	00-369-11	855-316-2192
Taiwan	00-801-102-880	855-316-2192
United Kingdom	0-800-89-0011	855-316-2192
United Kingdom	0-500-89-0011	855-316-2192
United Kingdom	0-800-013-0011	855-316-2192



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Certificate for

Compliance with the Corporate Policy on Anti-Bribery and Anti-Corruption

I have read the Corporate Policy on Anti-Bribery and Anti-Corruption and agree to comply with its provisions. Except as disclosed below, I have never participated in, and am not aware of, any violation of the Policy. Should I ever obtain information giving me reason to believe that any employee, person, or firm may have engaged in conduct that violates the Policy, I agree to report that information promptly to the Company's Internal Audit Manager or Legal Department.

I have engaged in or observed the following incidents of non-compliance:

Three horizontal lines for listing incidents of non-compliance.

None

Form fields for Date, Signature, Name Printed, Title, and Office, each with a corresponding horizontal line.



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<u>Revision</u>	<u>Revision History</u>	<u>Request Date</u>
5	Version updated as of February 21, 2017	3/6/2018
6	Add footer, no content update.	4/12/2018
7	Change name; update/refresh as Core Corporate Policy	10/26/2020
8	Update Hotline: add Japan, delete obsolete instruction	4/1/2021