



## QUALITY PROCEDURE

### Corporate Policy on Conflict of Interest

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Adopted: February 10, 2009

Updated: April 6, 2021

Employees and officers of Diodes Incorporated and its subsidiaries (collectively, “**Company**”) have an obligation to conduct the Company’s business within the guidelines of the Company’s Code of Business Conduct (“**Code of Business Conduct**”), which prohibit actual or potential conflicts of interest. This Conflict of Interest Policy (the “**Policy**”) establishes the framework within which the Company wishes to operate its business and provides general direction so that employees and officers of the Company (collectively, “**Diodes Personnel**”) can seek further clarification on issues related to the subject of acceptable standards of operation.

#### A. Policy Statement

1. An actual or potential conflict of interest occurs when Diodes Personnel’s private interests, including personal, family, social, or Financial Interests, interfere in any way with the performance of Diodes Personnel’s responsibilities to the Company. Diodes Personnel should not use confidential, proprietary, or competitively sensitive Company information, Company assets, or their role or position at the Company for personal gains or to advance personal interests. Diodes Personnel are responsible for avoiding (a) situations that present, or create the appearance of, a potential conflict between their interests and the current and future interests of the Company; (b) situations where their personal or outside business or family interests could impair their ability to make sound business decisions in the best interest of the Company; and (c) situations that interfere or could interfere with the proper performance of their duties to the Company. The appearance of a conflict of interest can damage the reputation of the Company and that of the associated Diodes Personnel.
2. This Policy outlines the most common situations that create a conflict of interest or the appearance of a conflict of interest. There may be situations that are not described in this Policy and Diodes Personnel are required to exercise good judgement in those situations and seek guidance from Diodes management.
3. Diodes Personnel must disclose the details regarding any actual or potential conflict of interest in accordance with **Section I** (Conflicts of Interest Disclosures and Approvals) below and, if applicable, receive approval of an exception to this Policy in writing.
4. Violation of this Policy may result in disciplinary action, up to and including termination of employment.
5. For the purpose of this Policy, the following terms have the following meaning:

“**Business Partner**” includes a current or potential customer, distributor, joint venturer, consultant, agent, representative, contractor, or affiliate of the Company and any entity or person with whom the Company conducts or plans to conduct business.

“**Close Family Member**” includes any person who is related by blood or marriage, or whose relationship with Diodes Personnel is similar to that of persons who are related by blood or marriage, for example, domestic partners, children by adoption, and any other individual sharing the household of Diodes Personnel.



## QUALITY PROCEDURE

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---

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“**Competitor**” includes any actual or potential competitors that directly or indirectly compete with the Company.

“**Financial Interest**” includes, without limitation, Diodes Personnel or any of their Close Family Members holding a direct or indirect financial interest in a transaction or relationship, or holding an investment in any company or a share in any firm which is a Competitor or a Business Partner, provided that (a) ownership or passive investment of up to one percent (1%) of such an entity with publicly traded securities, and (b) ownership of one percent (1%) or less of the outstanding stock or other securities of a private entity will not ordinarily constitute a financial interest for the purpose of this Policy.

“**Gifts**” include gifts and any items of value.

“**Government Official**” includes any official, employee, candidate, or representative of a government (including any government agency, department, or enterprise), political party, or public 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.

#### B. **Outside Firms.**

1. An actual or potential conflict of interest occurs when Diodes Personnel is in a position to influence a decision that may result in a personal gain for the Diodes Personnel or the Close Family Members of the Diodes Personnel as a result of the Company’s business dealings with outside firms.
2. Business dealings with outside firms should not result in unusual gains for those firms or any Diodes Personnel or their Close Family Members. Unusual gains refer to gains outside of the ordinary course of business, bribes, product bonuses, special fringe benefits, unusual price breaks, employment or internship opportunities, or services for Close Family Members of the Diodes Personnel.
3. No “presumption of guilt” is created by the mere existence of a relationship between Diodes Personnel with outside firms. If Diodes Personnel has any influence on transactions involving purchases, contracts, or leases, Diodes Personnel must disclose the existence of any actual or perceived conflict of interest in accordance with **Section I** of this Policy so that safeguards can be established to protect all parties.

#### C. **Family and Friends.**

1. Diodes Personnel must not attempt to influence any Company decision (including hiring decisions) or business dealings (including current or potential business dealings) that may benefit or appear to benefit a Close Family Member or an entity in which a Close Family Member is involved or has a Financial Interest. The Company’s normal procurement processes must be followed to ensure there is no appearance of special treatment or favored treatment for Close Family Members.
2. This Policy applies in the case of a distant family member or a friend if the relationship with such distant family member or friend could influence Diodes Personnel’s objectivity.

#### D. **Financial Interests.**

Diodes Personnel should not have any Financial Interest in any entity (i) with which the Company conducts business, including Business Partners; (ii) that competes with the Company, including Competitors; or (iii) that



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---

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the Company is or may be interested as either an acquisition target or a divesture target. Furthermore, Diodes Personnel should not receive fees, commissions, any form of compensation, or disbursements from any of these entities unless disclosed and approved in accordance with this Policy.

#### E. Gifts, Meals, Travel, Entertainments, and other Gratuities.

1. The acceptance, provision, or exchange of gifts, meals, travel, entertainment, and other gratuities may create a real or perceived conflict of interest or potentially be viewed as a bribe under applicable laws and regulations. Diodes Personnel must ensure that (a) any gift, meal, travel, entertainment, or other gratuities received or provided do not influence, or appear to influence, their business decisions for the Company, or result in any personal gains; (b) all expenses incurred in connection with the provision of gifts, meals, travel, entertainment, or other gratuities must be accurately and fully recorded in the Company's books and records; and (c) the acceptance, provision, and exchange of gifts, meals, travel, entertainment, and other gratuities conforms with generally accepted business practices, applicable laws and regulations, ethical standards, and Company policies.
2. Other than gifts of moderate value (generally no more than U.S. \$100 or its equivalent in local currencies) meals, travel, or entertainment (each valued no more than U.S. \$100 or its equivalent in local currencies), Diodes Personnel must not accept any gift, payment, loan, service, information for personal gain (financial or otherwise), gratuities, or other favor from a Competitor or a Business Partner that might compromise or appear to compromise their ability to make objective and sound business decisions in the best interest of the Company or that might influence or appear to influence the business relationships with the Company. Diodes Personnel should not accept payment or reimbursement of expenses related to non-business travel from, or offer to pay or reimburse expenses related to non-business travel of, any person associated with a Competitor or a Business Partner.
3. Specifically, any gifts, meals, travels, entertainment, and other gratuities, provided or received, by Diodes Personnel must meet the following criteria unless prior exception is obtained pursuant to **Section I** of this Policy:
  - Incidental to a legitimate business discussion and pursuant to a bona fide business relationship;
  - Cost and value is no more than U.S.\$100 per person;
  - Is not cash or cash equivalent (e.g. gift cards, gift certificates, vouchers, debit cards, stocks, bonds or other negotiable instruments);
  - Does not create a sense of obligation or an appearance of obligation or conflict of interest;
  - The purpose is not to obtain special or favored treatment or unfair business advantage;
  - Setting is appropriate for a business discussion; and
  - Does not cause embarrassment to or reflect adversely on the Company if publicly disclosed (including frequency of the gifts, meals, travels, entertainment and other gratuities).
4. In rare circumstances, local custom may call for an exchange of gifts having greater than a moderate value (i.e. greater than U.S.\$100 or its equivalent in local currencies) as part of a business relationship with a non-U.S. company. In these situations, Diodes Personnel must obtain prior written approval in accordance with **Section I** of this Policy prior to any gift exchange with the other party. Such gifts may be turned over to the Company for appropriate disposition such as for internal use, general employee benefit or donation to charity.



## QUALITY PROCEDURE

### Corporate Policy on Conflict of Interest

---

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5. Special rules apply with respect to interactions with Government Officials and Diodes Personnel must follow the guidance set forth in the Company's Anti-Corruption and Anti-Bribery Policy in connection with any such interactions.
- F. **Outside Activities.**
  1. Diodes Personnel are discouraged from engaging in any outside activity if such activity decreases the efficiency or productivity of Diodes Personnel at the Company or otherwise compromises Diodes Personnel's obligations to the Company (e.g. through diversion of time and attention away from Diodes Personnel's responsibilities at the Company). Outside activities should not entail disclosure of the Company's proprietary, confidential, or competitively sensitive information or use of Company assets.
  2. Outside Employment. Diodes Personnel should not maintain employment or otherwise engage in outside work or services for a Business Partner.
  3. Corporate Opportunities. Diodes Personnel should not (a) compete with the Company; (b) exploit, take advantage of or otherwise engage in opportunities that are discovered through the use of corporate property, information, or position; or (c) use corporate property, information, or position for personal gains or advance personal interest.
  4. Competitors. Diodes Personnel should not provide assistance to a Competitor or work with any Competitor in any capacity such as an employee, a consultant, or as a member of its board of directors.
  5. Board Appointments. Diodes Personnel should not assume a position on the board of directors of or serve as an advisor to a Business Partner, Competitor, acquisition target, or divesture target.
  6. Public Service and Political Activity. Service as a public official may give rise to conflicts of interest. Diodes Personnel who seek or hold an elected or appointed office while employed by the Company must disclose this information pursuant to **Section I** of the Policy, and must be excused from involvement with any issue or decision that could create or appear to create a conflict of interest. Diodes Personnel should not make any political contribution as a representative of the Company.
  7. Diodes Personnel is *not* required to disclose or seek approval of the following activities provided that such activity does not compete with the Company, interfere with Diodes Personnel's duties or responsibilities towards the Company, reflect negatively on the Company, entail the use of Company assets or disclosure of Company proprietary, confidential, or competitively sensitive information, or give rise to an actual or potential conflict of interest:
    - a. Participating in non-profit civic, charitable, or community activities, including serving as a member of the board of directors or advisory board;
    - b. Affiliation with a trade association, professional association, or other such organization related to the work or position of Diodes Personnel at the Company; and
    - c. Personal and business-related speaking engagements (e.g. lectures at an educational institution, presentation at trade associations or professional organizations, or participation on panels) and publishing activities.



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### Corporate Policy on Conflict of Interest

---

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**G. Protection of Company Assets.** Diodes Personnel must protect Company assets and ensure their efficient use. All Company assets should be used for legitimate business purposes and not for personal use. Diodes Personnel should not conduct non-Company work or solicit such business on Company premises or while working on the Company's time.

**H. Confidential Information.** All confidential information, proprietary information, and competitively sensitive information of the Company, including but not limited to compensation data, customer lists, personnel, product lines, product pricing policies, price lists, specific customer business opportunities and history, business plans, vendor lists, product costs, credit information, technical data, inventions, financial information, and marketing strategies and information, are the property of the Company and should never be given or disclosed to an outside firm or individual except for the benefit of the Company through normal channels and with appropriate authorization. Any improper transfer of material or disclosure of confidential, proprietary, or competitively sensitive information, even though it is not apparent that Diodes Personnel has personally benefited by such an action, constitutes unacceptable conduct. Any Diodes Personnel who participates in such practice will be subject to disciplinary action, up to and including discharge, in addition to possible criminal prosecution. Nothing herein will in any way limit the confidentiality obligations of Diodes Personnel pursuant to any other agreements between Diodes Personnel and the Company or any applicable laws and regulations.

**I. Conflicts of Interest Disclosures and Approvals**

1. If an actual or potential conflict of interest exists or if Diodes Personnel is unsure whether one exists, Diodes Personnel should refrain from the activity and promptly disclose details regarding any actual or potential conflict of interest and, if applicable, seek approval of an exception to the Policy in writing via the Conflict of Interest Disclosure Form (see Attachment), and submit the completed form to the Diodes Personnel's direct manager and to this email list: [conflictofinterest\\_disclosure@diodes.com](mailto:conflictofinterest_disclosure@diodes.com).
2. If approval to an exception to the Policy is requested, the following approval matrix applies. Additional approvals may be required in certain situations. Any request for approval will be reviewed and, where appropriate, approval may be granted with or without a conflict of interest management plan to be complied with by Diodes Personnel.

Diodes Personnel Level	Required Approval(s)
President, Chief Executive Officer	Risk Oversight Committee - Board of Directors Corporate Compliance Officer and General Counsel
Officers (both executive and non-executive officers)	Direct manager Chief Executive Officer Corporate Compliance Officer and General Counsel
All other Diodes Personnel	Direct manager

**J. Hotline.** Diodes Personnel and any third parties who wish to maintain anonymity and report any actual or potential violation of this Policy 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



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### Corporate Policy on Conflict of Interest

---

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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.

<b>Location</b>	<b>First Stage Phone Number<sup>1</sup></b>	<b>Second Stage Phone Number</b>
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
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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<sup>1</sup> 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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Employee Certificate

for

the Conflict of Interest Policy

I have read the Conflict of Interest Policy (the "Policy") 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 or officer of Diodes Incorporated and its subsidiaries (collectively the "Company") may have engaged in conduct that violates the Policy, I agree to report that information promptly to the Company's Internal Audit Manager or In-House Legal.

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

Three horizontal lines for listing incidents of non-compliance.

None

Date:

\_\_\_\_\_

Signature

\_\_\_\_\_

Name Printed

\_\_\_\_\_

Title

\_\_\_\_\_

Office

\_\_\_\_\_



QUALITY PROCEDURE

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Independent Contractor Certificate

for

the Conflict of Interest Policy

I have read the Conflict of Interest Policy (the "Policy") and understand that although I am an independent contractor of Diodes Incorporated or its subsidiaries (collectively, the "Company") and in an independent contractor relationship with the Company, my work for the Company requires me to undertake 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 or officer of the Company may have engaged in conduct that violates the Policy, I agree to report that information promptly to the Company's Internal Audit Manager or In-House Legal.

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

Three horizontal lines for listing incidents of non-compliance.

None

Date:

\_\_\_\_\_

Signature

\_\_\_\_\_

Name Printed

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Title

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