

Policy on Solicitation and Acceptance of Gifts

The Company adopts the SMC Group-wide Policy on Solicitation and Acceptance of Gifts (the "Policy").

The Policy is developed to provide guidance to executives and employees on how to handle gifts solicited from or offered by third parties.

The Company is committed to succeed in a manner that upholds the highest standards of honesty, integrity, and fairness. Consistent with this commitment, the Company expects each employee to observe reasonable standards of conduct. In particular, the Code of Ethics of the Company requires employees to:

- a.) Conduct business affairs with fairness.
- b.) Avoid granting undue personal favors.
- c.) Exercise discretion un accepting favors or gifts from persons seeking or doing business within the Company.
- d.) Refuse gifts that might connote bribery in any way.

All executives, employees and members of their immediate families are prohibited from soliciting gifts in any form, gratuity, favor, service or other benefit from any current or potential business partner, individuals or companies seeking any advantageous action by or relationship with the Company (e.g. suppliers, contractors, sub-contractors, providers, buyers, dealers, customers, or all other business partners who are or may be similarly situated) or from non-business partner who/which may have interests in influencing business decisions. The acceptance of gift, even if unsolicited, is also prohibited except in certain instances and subject to certain conditions.

The Policy applies to all regular, probationary, employment with fixed period and directly-hired project employees of the Company. Any employee who violates the Policy will be disciplined subject to the sanctions under the Company Rules and Regulations and/or labor code.