

# **Wan Hai Lines 2022 Intellectual Property Rights Management Plan and Implementation Status Report**

Wan Hai Lines Ltd. (hereinafter referred to as the "Company") has formulated the "Intellectual Property Rights Management Policy" and the "Regulations Governing Intellectual Property Rights Management" in accordance with the relevant regulations such as the Trade Secrets Act, Trademark Act, Copyright Act, and Patent Act, in order to effectively manage and maintain its intellectual property, to ensure that the Company's intellectual property rights management affairs are in accordance with these regulations, to protect its own rights and interests, to avoid infringing on the rights and interests of others, and to enable all employees of the Company to have a correct understanding of and attach importance to intellectual property management, innovation, and enhancing competitiveness. The "Intellectual Property Rights Management Plan" is formulated annually and implemented according to the plan. The annual report on the content of the 2022 plan and the implementation status, that has submitted to the Board of Directors, is as follows:

## **Chapter 1. Intellectual Property Rights Management Plan**

### **I. Management Principles for Trade Secrets and Intellectual Property**

1. To strengthen the management of trade secrets and protect the interests of the Company, the Company stipulates the following in the employee rules, employee handbook, and employment contracts:
  - i. Employees shall, during and after their employment, adhere to professional ethics and fulfill their duty to maintain the confidentiality of any business and commercial information they come to know during their employment.
  - ii. Employees shall not, during or after their employment, disclose any business secrets in any form, otherwise the Company shall have the right to take disciplinary action (including dismissal) in accordance with the employee rules or relevant reward and punishment measures, and the right to pursue legal action and claim compensation for damages to the Company.
  - iii. The intellectual property rights of computer programs, systems, research, and inventions, works, and data files designed during employment belong to the Company, and shall not be transferred upon separation from employment.
  
2. Implementation Plan for the International Standard for Information Security Management System (ISO 27001):
  - i. The scope encompasses the IT department, the three information rooms in Neihu, Dunbei, and Songjiang, and the mainframes and networks related to the SRS system, and information security, etc.
  - ii. In accordance with the ISO 27001 standard, the Company shall establish a list of standard operating software and regulations, and review the software list once every six months and make necessary revisions.
  - iii. In accordance with the ISO 27001 standard, the software change notification function of the asset management software shall be used to check the software change status and installation of illegal software in the computers of employees in a timely manner, to avoid infringing on the intellectual property rights of others due to improper use of computer software.

- iv. In accordance with the ISO 27001 standard, if specific software needs to be checked, the installation situation and number of sets of the software can also be queried through the asset management software.

## II. Trademark Management

1. Assess the legality and exclusivity of trademarks for the Company's business and relevant countries and regions to avoid infringing on the trademarks of other companies.
2. Actively protect trademark exclusivity through legal remedies.
3. Avoid harm to the Company's trademark interests by eliminating infringement by others.
4. Adjust trademark strategies in response to changes in the external environment, such as laws and investment conditions.
5. Regularly update and create electronic records of the latest data on trademark registration and extension in each country for the Company and provide them to the finance department for filing.
6. The board of directors will assess and supervise the performance of the Company's trademark management to ensure the implementation of the plan.

## III. Copyright Management

1. Employees should be careful to avoid infringing on the copyrights of others when producing works and, if quoting other authors, should use them within a reasonable scope and indicate the source.
2. Work equipment and computer software must be used legally to avoid violating copyright law.
3. Regularly review and inventory copyright documents and provide intellectual property education and training to enhance employees' intellectual property knowledge.

## IV. Patent Management

The Company coordinates patent layout for various technology research and development projects to enhance the value of the Company's products and profitability. The Company periodically entrusts external patent firms to handle application, subsequent protection and maintenance planning. After obtaining patent rights, the patent rights belong to the Company and are managed by the relevant department.

## V. Other

1. Our Company established the "Integrity Management Rules" in 2018: Our Company and its employees should comply with relevant intellectual property laws, internal operating procedures, and contract provisions; without the permission of the intellectual property owner, it is not allowed to use, disclose, dispose, damage, or otherwise infringe on intellectual property rights.

2. The "Integrity Management Operating Procedures and Behavior Guidelines" require all departments of the Company to strictly implement the management, preservation, and confidentiality procedures for the Company's intellectual property such as trade secrets, trademarks, patents, and copyrights, to ensure the continued effectiveness of the Company's confidentiality mechanism.
3. In contracts with external vendors, a provision on liability and warranty must be signed, and the trading party must guarantee that the performance of the contract does not infringe on the patent rights, copyrights, trade secrets or other rights of others.

## **Chapter 2. Implementation Status**

- I. To strengthen and effectively implement the Company's intellectual property rights management system, the Company passed the "Intellectual Property Rights Management Policy" and the "Intellectual Property Rights Management Procedures" at the board meeting on August 8, 2022.
- II. Trade Secret Management Implementation Status:
  1. Introduction of the information security management system international standard ISO 27001: The content confirmation of documents was completed by the end of September 2022, and the implementation will be announced afterwards. The verification will be conducted 2-3 months later, and it is expected to obtain certification by the end of 2022.
  2. Social engineering simulation drills are conducted every 3 months to enhance employees' vigilance against phishing emails.
- III. Trademark Management Plan and Implementation Status (as of September 2022):
  1. Registered trademarks: 170 trademarks in 23 countries/regions, including 12 in Taiwan, 24 in China and Hong Kong, 15 in 2 East Asian countries, 21 in 4 Middle Eastern and Indian-Pakistani countries, 58 in 7 Southeast Asian countries, 1 in the EU, and 39 in 6 American countries.
  2. Pending trademarks: 10 trademarks under review in 2 countries.
  3. Trademark extension: 18 applications completed in 2 countries, with another 6 applications under review in 1 country.
- IV. Education and training: On December 15, 2021, a lecture on "Trade Secrets and Professional Conduct" was held, with 97 middle and high-level managers attending to enhance their awareness of Company confidentiality management and protection. In 2022, we will continue to promote the online platform's "Secrets that cannot be Stolen" course on trade secret laws to nearly 340 attendees.