

INTELLECTUAL PROPERTY MANAGEMENT PLAN OF GIANT MANUFACTURING CO., LTD.

Edited according to the report to the Board of Directors made on December 16, 2022 (published on December 28, 2022)

I. Preface

This Intellectual Property Management Plan (this “**Plan**”) has been prepared to encourage the group to research and innovate, maintain its market-leading position, and erect barriers to competition. This Plan meets the requirements of Paragraph 2, Article 37 of the **Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies** and Item 2.27 of **Standards of Evaluation System 2022**.

II. Intellectual Property (IP) Management Policies

Based on overarching considerations with respect to the operation and development of the Giant Group, the interested parties’ influence on IP management, internal/external issues, risks/opportunities, and the coping strategies thereof, the business strategy-related IP management policies are established as follows:

1. Put into effect the IP management standards required by **Taiwan Intellectual Property Management System (TIPS)**;
2. Encourage research and innovation, actively establish corporate IP Portfolios, and prevent/control the risk of infringement; and

3. Enhance group personnel's awareness of and ability to conduct IP management.

III. IP Management System

To protect the results of research and innovation and persistently increase the asset value of the group's IP, the currently-practiced mechanisms of administering patents, trade secrets, and trademarks are explained as follows:

1. Patent Management

- (1) Administer the application, maintenance, and licensing of the group's patents according to the patent administration standards. Use self-developed digital tools, such as electronic documentation and the patent administration system, to undertake various patent administration operations and preserve the related records of operation.
- (2) During the processes of planning, researching, and developing products, actively recognize the potential patent risks and opportunities of patent application to ensure that the various innovative technologies may be promptly protected as part of the patent portfolio, thereby increasing competitive advantage, and reducing operational risks.
- (3) Hold education/training activities annually to enhance the patent risk awareness and information utilization ability of the research and development personnel. Provide patent information periodically to familiarize the research and development personnel with the developments of specified technologies in the art, thereby inducing innovation and creation.

2. Trade Secret Management

- (1) According to the management regulations for classified archives, control confidential/sensitive information and the accessibility thereof, determine/amend the level of confidentiality, and authorize usage to prevent personnel not privy to the subject matter from accessing, using, or leaking any trade secret.
- (2) Related control mechanisms for computer equipment, operating systems, application programs, and entry management have all been put in place. Unauthorized personnel may not use the computer equipment, install operating systems, use the application programs, or enter the controlled areas.
- (3) Hold trade secret lectures from time to time to enhance group personnel's awareness of the protection of the group's trade secret and non-infringement of others' trade secrets.

3. Trademark Management

- (1) According to the management regulations for trademarks, undertake administrative tasks, such as risk assessment, application, renewal, opposition, enforcement of trademark rights, transfer/licensing, and use evidence preservation. Use self-developed digital tools, such as electronic documentation and the trademark administration system, to undertake various trademark administration operations and preserve the related records of operation.
- (2) Our group has been dedicated to curating our trademark portfolio and enforcing our rights actively and globally, continuously protecting and promoting the brand value of our group, including the **GIANT**, **Liv**, **Momentum**, and **CADEX** brands. The brand value of our group reached USD746 million in 2022, representing an 11% increase from 2021.

VI. Implementation Status and Award Records

The current IP management-related implementation status in 2022 and the awards that have been garnered are as follows:

1. On December 16, 2022, the IP management plan and the annual implementation status were reported in the ninth meeting of the seventeenth Board of Directors. At least four IP lectures and training/educational programs covering the fields of patents and trade secrets were held to continuously enhance and improve the IP understanding and risk awareness of the employees.
2. In 2022, the **Giant Group** was awarded by the **Executive Yuan** the highest honor, “**National Sustainable Development Award 2022**” in the corporate category. Through **Bicycling Alliance for Sustainability (BAS)**, the Giant Group will lead the bicycle industry toward green production and recycling and regeneration of resources to build a low-carbon and waste-reduced bicycle production mode and promote green transport solutions. Thereby, we will bike toward a clean and bright future.
3. Our innovative/environment-friendly products have garnered awards for three consecutive years. The electric cargo bike **PakYak E+** sold under the urban-life bicycle brand **Momentum** of the Giant Group won the silver medal at **the 31st Taiwan Excellence Award**.

V. Achievements in IP

Patents and trademarks owned by the group as of December 2022:

1. Patents: to encourage research and innovation, maintain our competitive edge, and realize our goal of building a multinational patent portfolio, the group has more than 700 patents across more than 20 countries.
2. Trademarks: to promote brand value and enhance marketing, the group has more than 2000 trademarks across more than 90 countries.

VI. Response to Risks and Opportunities in IP

We have considered the internal/external issues that influence the IP management system, the requirements and expectations of the stakeholders, identified the potential risks/opportunities, planned our responses, and established a sensible crisis management mechanism. Upon discovery of potential third-party infringement of patents of the group or counterfeit products bearing trademarks of the group, or any group product being involved in third-party IP risks, our company will promptly take appropriate legal action to protect the goodwill and commercial interests of the Giant Group.