

## Code of Ethical Conduct

Enacted and resolved by the Board of Directors on March 24, 2016

I. For the purpose of encouraging directors, supervisors, and managerial officers of the company to act in line with ethical standards and helping interested parties better understand the ethical standards of the company, the code of ethical conduct is established. This Code is established in accordance with Letter # 0930005101 of Zheng Qi Yi Zi of the Securities and Futures Bureau on October 28, 2004; Letter # 0930028186 of Zheng Shang Zi of TWSE on November 11, 2004; and Letter # 10400020851 of Zheng Gui Jian of Taipei Exchange on February 4, 2015 and for managers at different levels, respective Code of Ethical Conduct may be established.

II. Content of the code:

(I) Prevention of conflicts of interest:

Conflicts of interest shall be prevented by avoiding that personal interest intervenes or is likely to intervene in the overall interest of the company. A person in such the said position shall not take advantage of their position in the company to obtain improper benefits for either themselves or their spouse or relatives within the second degree of kinship. Without the approval of the Board of Directors, the Company shall not make loans or provide endorsements/ guarantees and engage in major asset transactions o with affiliated enterprises belonged to the said personnel.

The Company shall offer appropriate means for directors, supervisors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company to prevent conflicts of interest.

(II) Minimizing incentives to pursue personal gain

The company shall prevent occurrence any of the following activities: (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions; (2) Competing with the company.

When the Company has an opportunity for profit, it is the responsibility of the directors, supervisors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

(III) Confidentiality

The directors, supervisors, and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and customers except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or customers.

(IV) Fair trade

The Company shall treat all suppliers and customers, competitors, and employees fairly and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, through misrepresentation of important matters, or through other unfair trading practices.

(V) Safeguarding and proper use of company assets

The Company shall have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

(VI) Legal compliance

The company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

(VII) Encouraging reporting on illegal or unethical activities

The Company shall raise awareness of ethics internally and encourage employees to report to a company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. The Company will use its best efforts to ensure the safety of informants and protect them from reprisals.

(VIII) Disciplinary measures

When a director, supervisor, or managerial officer violates the Code of Ethical Conduct, the Company shall handle the matter in accordance with the disciplinary

measures prescribed in the Code, and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken.

If interest of the Company is affected due to unintentional or careless cause, proofs should be submitted to the Board of Directors for explanation and after being proved to be unintentional, occurrence of interest conflict may be posted on the MOPS by the Company according to its significance.

- III. The Code of Ethical Conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the Code be adopted by a resolution of the Board of Directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the Board resolution.
- IV. The Company shall disclose the Code of Ethical Conduct on its company website, in its annual reports and prospectuses and on the MOPS.
- V. The Code of Ethical Conduct, and any amendments to it, shall enter into force after approved by the Board of Director.