

Article 1 (Purpose and Scope of Application)

These Principles are adopted to assist the Company to foster a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices. These Principles are applicable to the Company and its subsidiaries, any foundation to which the Company's direct or indirect contribution of funds exceeds 50 percent of the total funds received and other institutions or juristic persons with substantial control over the Company (hereinafter referred to as the "business group").

Article 2. (Prohibition of Unethical Conduct)

When engaging in commercial activities, the directors, supervisors, managers, employees and mandataries of the Company or persons having substantial control over the Company (hereinafter referred to as "substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits nor commit unethical acts including breach of ethics, illegal acts or breach of fiduciary duty (hereinafter referred to as "unethical conduct") for purposes of acquiring or maintaining benefits. The parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 3 (Patterns of Benefit)

The "benefits" referred to herein mean any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Notwithstanding, benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4. (Compliance)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEX listing rules or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5 (Policy)

The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and obtain approval from the Board of Directors, and establish good corporate governance and risk control and management mechanism to create an operating environment for sustainable development.

Article 6 (Prevention Programs)

The Company shall in its ethical management policy clearly and thoroughly prescribe the specific ethical management practices and the programs to forestall unethical conduct (hereinafter referred to as "prevention programs"), including operating procedures, guidelines and training.

When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the Company and its business group is operating.

In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparts or other stakeholders.

Article 7 (Scope of Prevention Program)

The Company shall establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.

- Article 7 It is advisable for the Company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which shall at least include preventive measures against the following:
- I. Offering and acceptance of bribes.
 - II. Illegal political donations.
 - III. Improper charitable donations or sponsorship.
 - IV. Offering or acceptance of unreasonable presents or hospitality or other improper benefits.
 - V. Misappropriation of trade secrets and infringement upon trademark rights, patent rights, copyrights and other intellectual property rights.
 - VI. Engaging in unfair competitive practices.
 - VII. Damage directly or indirectly caused to the rights or interests, health or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision or sale of products and services.
- Article 8 (Commitment and Execution)
The shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy. The Company and its business group shall clearly specify in their rules and external documents and on the Company's website the ethical corporate management policies and the commitment by the Board of Directors and senior management on rigorous and thorough implementation of such policies and shall carry out the policies in its internal management and in commercial activities. The Company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in Paragraph 1 and Paragraph 2 and retain said information properly.
- Article 9 (Ethical Management Commercial Activities)
The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.
Prior to any commercial transactions, the Company shall take into consideration the legality of its agents, suppliers, clients or other trading counterparts and whether or not it is involved in unethical conduct and shall avoid any dealings with persons so involved.
When entering into contracts with its agents, suppliers, clients or other trading counterparts, the Company shall include in such contractual terms requiring compliance with ethical corporate management policy and that in the event the trading counterparts are involved in unethical conduct, the Company may at any time terminate or rescind the contracts.
- Article 10 (Prohibition of Offering and Acceptance of Bribes)
When conducting business, the Company and its directors, managers, employees, mandataries and substantial controllers, may not directly or indirectly offer, promise to offer, request or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants or other stakeholders.
- Article 11 (Prohibition of Illegal Political Donations)
When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managers, employees, mandataries and substantial controllers, shall comply with the Political Donations Act and the Company's own relevant internal operating procedures and shall not make such donations in exchange for commercial gains or business advantages.
- Article 12 (Prohibition of Improper Charitable Donations or Sponsorship)
When making or offering donations and sponsorship, the Company and its directors, managers, employees, mandataries and substantial controllers shall comply with relevant laws and regulations and the Company's internal operating procedures and shall not surreptitiously engage in bribery.

- Article 13. (Prohibition of Offering or Acceptance of Unreasonable Presents or Hospitality or Other Improper Benefits)
The Company and its directors, managers, employees, mandataries and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationships or influence commercial transactions.
- Article 14. (Prohibition of Infringement upon Intellectual Property Rights)
The Company and its directors, managers, employees, mandataries and substantial controllers shall observe applicable laws and regulations, the Company's internal operating procedures and contractual provisions concerning intellectual property and may not use, disclose, dispose of or damage intellectual property rights or otherwise infringe upon intellectual property rights without the prior consent of the intellectual property rights holder.
- Article 15. (Prohibition of Engagement in Unfair Competitive Practices)
The Company shall engage in business activities in accordance with applicable competition laws and regulations and may not fix prices, make rigged bids, establish output restrictions or quotas or share or divide markets by allocating customers, suppliers, territories or lines of commerce.
- Article 16. (Prevention of Products or Services from Damaging Stakeholders)
In the course of research and development, procurement, manufacture, provision or sale of products and services, the Company and its directors, managers, employees, mandataries and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about and safety of the Company's products and services. The Company shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders and carry out the policy in its operations, with a view to preventing its products and services from directly or indirectly damaging the rights and interests, health and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, in principle, recall those products or suspend the services immediately.
- Article 17. (Organization and Responsibilities)
The directors, managers, employees, mandataries and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments to ensure thorough implementation of its ethical corporate management policies.
To achieve sound ethical corporate management, the Company shall establish a dedicated unit that is under the Board of Directors and avail itself of adequate resources and staff itself with competent personnel, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the Board of Directors on a regular basis (at least once a year):
- I. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
 - II. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
 - III. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
 - IV. Promoting and coordinating awareness and educational activities with respect to ethics policy.
 - V. Developing a whistle-blowing system and ensuring its operating effectiveness.
 - VI. Assisting the Board of Directors and management in auditing and assessing whether or not the prevention measures taken for the purpose of implementing ethical management are effectively operating and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
- Article 18. (Compliance in Performance of Job Duty)
The Company and its directors, managers, employees, mandataries and substantial controllers shall comply with the laws and regulations and the prevention programs when conducting business.

Article 19 (Recusal for Conflict of Interest)

The Company shall adopt policies for preventing conflicts of interest to identify, monitor and manage risks possibly resulting from unethical conduct and shall also offer appropriate means for directors, managers and other stakeholders attending or present at the Board meetings to voluntarily explain whether or not their interests would potentially conflict with those of the Company.

When a proposal at a given Board of Directors' meeting concerns the personal interest of or the interest of the juristic person represented by any of the directors, managers and other stakeholders attending or present at the Board meeting of the Company, the concerned person shall state the important aspects of the relationship of interest at the given Board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in the discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The Company's directors, managers, employees, mandataries and substantial controllers shall not take advantage of their positions or influence in the Company to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20 (Accounting and Internal Control)

The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts and conduct reviews regularly to ensure that the design and enforcement of the systems are showing results.

The Company's internal audit unit shall, based on the results of risk assessment on involvement in unethical conduct, devise relevant audit plans, including auditees, audit scope, audit items, audit frequency, etc. and examine accordingly the compliance with the prevention programs. The internal audit unit may engage a certified public accountant to carry out the audit and may engage professionals to assist, if necessary.

The results of audit referred to in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the Board of Directors.

Article 21 (Operating Procedure and Guidelines for Conduct)

The Company shall establish operating procedures and guidelines for conduct in accordance with Article 6 herein to guide directors, managers, employees and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

- I. Standards for determining whether or not improper benefits have been offered or accepted.
- II. Procedures for offering legitimate political donations.
- III. Procedures and the standard rates for offering charitable donations or sponsorship.
- IV. Rules governing recusal for work-related conflicts of interests and how they should be reported and handled.
- V. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
- VI. Regulations and procedures for dealing with suppliers, customers and business trading counterparts suspected of unethical conduct.
- VII. Handling procedures for violations of these Principles.
- VIII. Disciplinary measures on offenders.

Article 22 (Education, Training and Performance Evaluation)

The Company's Chairman, president, or senior management shall communicate the importance of corporate ethics to its directors, employees and mandataries on a regular basis.

The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries and substantial controllers and invite the Companies' commercial trading counterparts, so that they understand the Company's determination, policy and prevention programs to implement ethical corporate management and the consequences of committing unethical conduct.

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- The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.
- Article 23 (Whistle-Blowing System)
- The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:
- I. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the Company to submit reports.
 - II. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each case shall be adopted.
 - III. Follow-up measures to be adopted depending on the severity of the circumstances after investigation on cases reported is completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.
 - IV. Documentation and maintenance of case acceptance, investigation processes, investigation results and production of relevant documents.
 - V. Confidentiality of the identity of whistle-blowers and the content of reported cases and an undertaking regarding anonymous reporting.
 - VI. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
 - VII. Whistle-blowing incentive measures.
- When material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.
- Article 24 (Disciplinary and Appeal System)
- The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the Ethical Corporate Management Best-Practice Principles and shall make immediate disclosure on the Company's internal website of the title and name of the violator, the date and details of the violation and the actions taken in response.
- Article 25 (Disclosure of Information)
- The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. The Company shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data and the effectiveness of promotion on the Company's website, annual reports and prospectuses and shall disclose its Ethical Corporate Management Best-Practice Principles on the Market Observation Post System "MOPS."
- Article 26 (Review and Amendments to Ethical Corporate Management Policy and Measures)
- The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage its directors, managers and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.
- Article 27 (Enforcement)
- The Principles shall be submitted to the Board of Directors for resolution after being approved by the Audit Committee and then to a shareholders' meeting for approval. The same shall apply where the Principles are amended.
- When the Company submits its Ethical Corporate Management Best-Practice Principles to the Board of Directors for discussion pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director who cannot attend the Board meeting in person to express objections or reservations shall provide a written opinion before the date of Board meeting, unless there is some legitimate reason to do otherwise and the opinion shall be specified in the minutes of the Board of Directors meeting.