

Code of Practice for Sustainable Development

Regulation Name	Code of Practice for Sustainable Development	File NO.	AT-54
Procedures and Guidelines			
<p data-bbox="201 369 537 401">Chapter I General Principles</p> <p data-bbox="201 432 298 464">Article 1</p> <p data-bbox="201 464 1235 642">In order to fulfill its social responsibility initiatives and to promote economic, social, and environmental balance as well as sustainable development, this Corporation hereby adopts the Principles, to manage its environmental and social risks and impact without violating applicable laws and regulations of the Cayman Island, and these Principles are adopted following the Corporate Social Responsibility Principles for TWSE/GTSM Listed Companies of the Republic of China.</p> <p data-bbox="201 674 298 705">Article 2</p> <p data-bbox="201 705 1227 915">The Principles apply to the entire operations of this Corporation and its business group. This Corporation shall actively fulfill its corporate social responsibility in the course of its business operations so as to follow international development trends such as environmental, social, and corporate governance developments and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.</p> <p data-bbox="201 947 298 978">Article 3</p> <p data-bbox="201 978 1243 1125">In fulfilling corporate social responsibility initiatives, this Corporation shall, in its corporate management guidelines and business operations, give due consideration to the social ethics and the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p data-bbox="201 1157 298 1188">Article 4</p> <p data-bbox="201 1188 1211 1251">To implement corporate social responsibility initiatives, this Corporation shall follow the principles below:</p> <ol data-bbox="201 1251 992 1377" style="list-style-type: none"> <li data-bbox="201 1251 602 1283">1. Exercise corporate governance. <li data-bbox="201 1283 626 1314">2. Foster a sustainable environment. <li data-bbox="201 1314 513 1346">3. Preserve public welfare. <li data-bbox="201 1346 992 1377">4. Enhance disclosure of corporate social responsibility information. <p data-bbox="201 1409 298 1440">Article 5</p> <p data-bbox="201 1440 1373 1682">This Corporation shall, according to the signed contracts and relevant regulations established by the competent authorities of the Republic of China, comply with relevant laws, regulations, and articles of incorporation, and take into consideration the development trends of domestic and international corporate social responsibility principles, and the operation of the company and its respective business groups as a whole, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors.</p> <p data-bbox="201 1713 724 1745">Chapter II Exercising Corporate Governance</p> <p data-bbox="201 1776 298 1808">Article 6</p> <p data-bbox="201 1808 1203 1860">The directors of this Corporation shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the</p>			



results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies. The board of directors of this Corporation shall give full consideration, including the following matters, in the company's performance of its corporate social responsibility initiatives:

1. Making corporate social responsibility the guiding principle of the company's operations and development.
2. Identifying the company's corporate social responsibility mission, vision, or values, and declaring its corporate social responsibility policy.
3. Enhancing the disclosure of corporate social responsibility information.

Article 7

For the purpose of managing corporate social responsibility initiatives, this Corporation shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

Article 8

This Corporation shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.

Article 9

This Corporation shall follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 10

This Corporation shall follow relevant regulations and the following matters in order to create a fair competitive environment when engaging in business operations:

1. Avoid engaging in acts that violate fairness of competition.
2. Fulfill tax obligations.
3. Stand against bribery and corruption, and establish an appropriate management system.
4. Corporate donations comply with internal operating procedures.

Article 11

This Corporation shall, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in the preceding article, and combine with the employee performance assessment system and set concrete and effective reward and punitive system.

Chapter III Fostering a Sustainable Environment

Article 12

This Corporation shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations.

Article 13

This Corporation shall endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 14

This Corporation shall establish proper environment management systems based on the characteristics of the industry. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
2. Establishing measurable goals, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Examining the environment sustainability purpose and goal on a regular basis.

Article 15

This Corporation shall establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for its managerial officers and other employees on a periodic basis.

Article 16

This Corporation shall take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, production, and services in accordance with the following principles to reduce the impact on the natural environment from its business operations:

1. Reduce resource and energy consumption of its products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 17

To improve water use efficiency, this Corporation shall properly and sustainably use water resources and establish relevant management measures.

This Corporation shall avoid polluting water, air and land, and use its best efforts, while taking the cost effectiveness, technology, and financial affairs into consideration, to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 18

This Corporation shall assess the influences that climate change may present to enterprises and to adopt, according to operation and greenhouse gas inventory, policies relevant to energy conservation and carbon and greenhouse gas reduction. The company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of its business operations on climate change.

Chapter IV Preserving Public Welfare

Article 19

This Corporation shall comply with relevant labor laws with respect to labor rights, and comply with the basic human rights of labor without violating the basic rights and interests of the labor force.

The HR policies shall follow the basic rights of the labor force, and shall build proper methods and procedures in appropriate manner.

Article 20

This Corporation shall provide information for its employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 21

This Corporation shall provide safe and healthful work environments for its employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

This Corporation shall organize training on safety and health for its employees on a regular basis.

Article 22

This Corporation shall create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.

Article 23

This Corporation shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.

Article 24

This Corporation shall take responsibility for its products and services, and take marketing ethics seriously. The company shall establish and disclose policies on consumer rights and interests, and enforce them in the course of consumer rights practices.

Article 25

This Corporation shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of the industry.

This Corporation shall follow relevant laws, regulations and international guidelines in regard to marketing and advertising. The products and services shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 26

This Corporation shall provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy, and protect personal data provided by consumers.

Article 27

This Corporation shall assess the impact its procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative.

Article 28

This Corporation shall evaluate the impact of its business operations on the community, and adequately employ personnel to enhance community acceptance.

This Corporation shall, through commercial activities, endowments, volunteering service or other charitable professional services etc., participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter V Enhancing Disclosure of Corporate Social Responsibility Information

Article 29

This Corporation shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which this Corporation shall disclose includes:

1. The governance system, strategy, policy, and management guidelines for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies.
4. Performance in implementation for corporate social responsibility initiatives.
5. Other information relating to corporate social responsibility initiatives.

Article 30

This Corporation shall produce corporate social responsibility reports on a regular basis, to disclose the status of its implementation of the corporate social responsibility policy.

The reports are advised to include:

1. The construction, policy, and action plans for implementing corporate social responsibility initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, and preservation of public welfare.
4. Future improvements and goals.

Chapter VI Supplementary Provisions

Article 31

This Corporation shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve its established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.

Article 32

The Corporate Social Responsibility Principles of this Corporation shall be implemented after the audit committee reviews and board of directors grants the approval, and the Corporate Social Responsibility Principles shall be reported to the shareholders meeting. The same procedure shall be followed when the principles have been amended.