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	Name: Code of Ethical Conduct	Issue Date	2017/02/23

Record of Amendments

Version	Page	Chapter	Details of Amendments	Effective Date
01			Establish the Code of Ethical Conduct	2013/02/27
02			Amend the Code of Ethical Conduct	2015/02/26
03			Amend the Code of Ethical Conduct (the term “supervisor” is removed due to the establishment of an audit committee to carry out supervisors’ responsibilities)	2017/02/23

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### **Article 1: Purpose**

The Code of Ethical Conduct (hereinafter referred to as the Code) is served as a guidance for the Company's directors and management team (including general manager, assistant general manager, director or personnel of equivalent ranks; heads of finance and accounting departments; and other personnel delegated with managerial responsibilities and signatory authority) and all other employees in complying with ethical practices and for stakeholders to understand the Company's standard of ethics.

### **Article 2: Principles**

Personnel of the Company shall comply with laws and the Code when performing their duties. We shall uphold our corporate culture of willing to help colleagues, being friendly to them, discipline, integrity and diligence and maintain a commitment to the Code, which contains the following eight principles:

(1) Avoid conflicts of interest:

Personnel of the Company shall perform their duties with objectivity and efficiency. They shall prevent themselves, their spouses, parents, children or relatives within second degree of kinship from obtaining improper benefits as a result of their positions in the Company. When the Company engages in transactions such as loans, guarantees, significant asset trading, sale or purchase with affiliated companies at which the said family members are employed, personnel of the Company shall voluntarily clarify if there is any actual or potential conflict of interest.

(2) Avoid opportunities to pursue personal benefit:

Personnel of the Company owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. They shall remove themselves from the following situations:

- (i) Through the use of company property, information or position to discover opportunities of obtaining personal benefits;
- (ii) Through the use of company property, information or position to obtain personal benefits;
- (iii) To compete with the Company.

(3) Confidentiality:

Except when disclosure is authorized or required by laws or regulations, personnel of the Company shall maintain the confidentiality of information entrusted to them by the Company or our customers and suppliers. Confidential information includes all non-public information that might be of use to our competitors, or harmful to the Company or our customers if disclosed.

(4) Fair dealing:

Personnel of the Company shall deal fairly with all customer, suppliers, competitors and

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employees. They are prohibited from obtaining improper benefits through manipulation, concealment and abuse of information obtained due to their positions, misrepresentation of material facts, or any other unfair-dealing practice.

(5) Protection and proper use of company assets:

Personnel of the Company shall protect the Company's assets and ensure that those assets are efficiently used for legitimate business purposes. Theft, negligence, and waste would directly impact the Company's profitability.

(6) Compliance with laws and regulations:

Personnel of the Company shall observe all applicable corporate policies, the Securities and Exchange Act and other laws and regulations.

(7) Encourage the reporting of illegal or unethical behavior:

The Company shall raise awareness of ethical standards and encourage employees to report suspected or observed violation of laws and regulations or the Code to the audit committee, management team, head of internal audit department or any other appropriate personnel of the Company. To encourage the reporting of misconduct, we have established relevant mechanism. The Company shall establish an explicit whistleblowing system and let employees know that we would do our best to protect whistleblowers against retaliation.

(8) Disciplinary measures:

Where directors or managers violate the Code, the Company shall handle the matter in accordance with the disciplinary measures defined in the Code. Details of the violation shall promptly be released at the Market Observation Post System (hereinafter referred to as MOPS), including the date of violation, particulars of the violation, code violated and disciplinary measures taken. The Company shall also establish a complaint system for violators to file appeals.

### **Article 3: Procedures for waiver**

Any waiver of the Code granted by the Company to directors or managers shall be approved by the board of directors. Details of the waiver, including the title and name of the person entitled to the waiver, date of board resolution, objections or reservations expressed by the independent directors, duration of waiver and reason and standards used for granting the waiver, shall be promptly disclosed at the MOPS. The disclosure aims to help shareholders in evaluating the appropriateness of the board resolution to forestall any arbitrary or dubious waiver, and to safeguard the interests of the Company by ensuring there is controlling mechanism in place to monitor the granting of waiver.

### **Article 4: Disclosure**

The Code, and any amendment thereto, shall be disclosed in the annual reports, corporate website, prospectuses and MOPS.

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#### **Article 5: Implementation**

The Code, and any amendment thereof, took effect after being approved by the board of directors and the shareholders' meeting.

The Code was approved on February 27, 2013.

First amendment: The Code was approved on February 26, 2015.

Second amendment: The Code was approved on February 23, 2017.