

**Coretronic Corporation**  
**Codes of Ethical Conduct**

1. Purpose of and basis for adoption :

To enable the directors and managers of the Company comply with the act of integrity and moral standards, and the exact implementation of the faithful duty of care and responsibility, according to 「 Guidelines for the Adoption of Codes of Ethical Conduct by TWSE/GTSM Listed Companies 」 to set the codes. The codes apply to all directors and managers.

2. All directors or managers of integrity and ethical behavior should follow the matter :

2.1 Prevention of conflicts of interest:

All directors or managers should be based on objective and efficient to deal with the affairs of the Company, and not by its position in the company takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The Company loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which directors or managers. The Company shall establish a policy aimed at preventing conflicts of interest, and shall offer appropriate means for directors and managers to voluntarily explain whether there is any potential conflict between them and the Company.

2.2 Minimizing incentives to pursue personal gain:

The Company shall prevent its directors or managers from engaging in 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) Obtaining personal gain by using company property or information or taking advantage of their positions. (3) Competing with the company. Not including aforementioned directors by the shareholders' meeting will agree to lift the non-competition.

2.3 Confidentiality:

All directors or managers informed of information as to the position of the Company during the public except by authorized or required by law, should bear the obligation of confidentiality. Foregoing information refers to the non-public financial, business, payroll, personnel information and other internal documents of the Company and its affiliates.

#### 2.4 Fair trade:

All directors or managers 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, or through misrepresentation of important matters, or through other unfair trading practices.

#### 2.5 Safeguarding and proper use of company assets:

All directors or managers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; in order to avoid affecting the company's profitability.

#### 2.6 Legal compliance:

All directors or managers shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

#### 2.7 Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics internally and encourage employees to report to the internal audit director, 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.

#### 2.8 Disciplinary measures:

When a director 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, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the Company establish a relevant complaint system to provide the violator with remedies.

#### 3. Procedures for exemption :

All directors or managers who has special reasons must require that any exemption for directors or managers from compliance with the code be adopted by a resolution of Board of Directors, and that information of the date on which 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.

4. Method of disclosure :

Codes of ethical conduct of directors and managers shall disclose it has adopted, and any amendments to it, in its website 、 annual reports 、 prospectuses and on the MOPS.

5. Enforcement :

Codes of ethical conduct of directors and managers, and any amendments to it, shall enter into force after it has been adopted by Audit Committee Charter and Board of Directors, and submitted to a shareholders meeting.