



AOPEN

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CODES OF
ETHICAL CONDUCT



Codes of Ethical Conduct

Article 1 : Purpose

The Codes of Ethical Conduct was established to enforce the AOPEN Incorporated (hereinafter as the Company)'s core values, and maintain its high level of business ethics, as well as for Relevant Personnel to strictly abide by the Company's standard code of ethical conduct to uphold the Company's reputation, and to gain the respect and trust of customers, suppliers and professionals of all fields. The Codes of Ethical Conduct was thereby established and shall be duly followed.

Article 2: Applicable Range and Definition

The Codes of Ethical Conduct shall apply to directors of the Company (including independent directors, and shall be true in the following), managers, and employees (hereinafter as Relevant Personnel) employed or entrusted by the Company.

Article 3: Important Codes of Ethical Conduct

1. Integrity is AOPEN's core value, and is also the root for operating an enterprise. The following is the relevant and important codes of ethical conduct:

- (1) One 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 the suppliers and customers.
- (2) When one uses information related to the Company itself or its suppliers and customers, one shall not contravene the acts, laws and regulations, or the Company's policies and procedures on the protection of confidential information.
- (3) One shall treat suppliers and customers, the competing companies and employees on a fair and equal basis, and shall not use the information obtained through job convenience to manipulate, conceal, or misuse such information to make false statement on important matters, or use such information to obtain unjust benefits through other unjust transactions.
- (4) One shall be loyal to his or her job, and the execution of duties, including disposition of money, purchase, safekeeping assets, evaluation of performances and making and ratification of reports, shall be accomplished with integrity, diligence and dedication.
- (5) One has the duty to protect the Company's assets and resources, and ensure that such assets and resources can be legally and effectively used in business operation. It is strictly prohibited to use the Company's assets or resources to gain personal interest. One should also recuse from negatively affecting the Company's interest through personal or department's interest or through stealing, neglecting, and wasting the Company's assets and resources.
- (6) One shall recuse from any conflict that will result in the conflict of personal and the Company's interest.
- (7) One shall not participate or instigate others to proceed in activities or relationships that might

cause harm to job loyalty or professional judgment.

(8) One shall not request, accept, or give any gifts, donations, political donations or treats (bribery) that might cause harm to job loyalty or professional judgment.

(9) One shall not commit any acts that will damage the reputation of the Company.

(10) One shall comply with the national acts, rules and regulations. One shall not be involved in any illegal or inappropriate activities under any circumstances.

2. The Codes of Ethical Conduct will not be limited to acts, rules and regulations. The spirit in the execution of this is in the high level of self restraint, and that one will abide by the Codes without violating general conventions.

When Relevant Personnel cannot determine whether an action or a circumstance meets the Company's Codes of Ethical Conduct, one should check its adequacy based on the following principles:

(1) Whether the disclosure of such relationship or action will cause negative effects to the Company's reputation.

(2) Whether the process of such relationship or action will be generally interpreted as having effects on the just execution of job duties or professional judgment.

Article 4 : Recusal Policy on the Conflict of Interest

1. The Relevant Personnel should recuse from any conflict that will cause conflict between the personal and Company's interest. For this, the Relevant Personnel shall automatically and fully report to the direct supervisor and the head supervisors of human resources department (suitable for Relevant Personnel who are not directors), or the Board of Directors (suitable for directors) upon knowing or facing (not limited to) the following circumstances and explain how the personal interest can be conflicting with the Company's interest:

(1) When the Relevant Personnel in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, or relatives within the third degree of kinship, or unable to perform their duties in an objective and efficient manner.

(2) When the activities participated by the Relevant Personnel outside the Company cause direct competition against the Company's business operation, or obstruct with the Relevant Personnel's positions held and duties in the Company.

(3) Using the Company's resources (such as information, objects or property) to participate in activities outside the Company without the Company's permission.

2. When the Company receives reports from the Relevant Personnel on how their actions do not meet the recusal policy on the conflict of interest, the chairman (suitable for directors) pass the case to the Board of Directors (suitable for directors) to handle ; or the head supervisors of human resources department (suitable for Relevant Personnel who are not directors), together with the involved Relevant Personnel's head supervisor from their affiliating organization shall discuss handling principles and procedures, and pass the case to the general manager (suitable for Relevant Personnel who are not directors) for authorization.

Article 5 : Giving Presents and Treats as Part of Business Routine

1. To maintain the highest standard for ethical conduct, one shall not accept or give any presents, cash gifts, treats from suppliers, contractors, customers, and other relevant parties and groups (including governmental agencies) involved in the Company's business operation, for such action will affect the normal operation of business and judgment. Any form of bribery is strictly prohibited.

2. When it is necessary to accept presents or any types of gifts, one shall proceed in accordance to the following in addition to abiding by Paragraph 1 of Article 5:

(1) One shall not accept cash, check, or any valuable papers (such as gift coupons or stocks).

(2) When one has to accept as a courtesy the presents or treats, the value of such shall not exceed or can only be equivalent of USD\$35 as the maximum limit. (3) If one shall accept a present in the fear that refusal might be inappropriate, such present shall be handed to the chief secretary of the Employee Welfare Committee within seven days of acceptance for disposition.

(4) One shall not subscribe any shares of stock or any other similar preferential packages from any units or companies that are involved with the Company's business operation outside the open transaction market.

3. To maintain and promote the normal business relationship and operation of the Company, one may be permitted to give presents to relevant individuals involved in the Company's business operation. However, such acts shall be done in accordance to the aforementioned Paragraph 1 under Article 5, and gift should contain the name of the Company name.

4. When one accepts or arranges any treats related to business operation, they shall be done in accordance with the rules of general business courtesy and cannot be too frequent, and shall not let customers or companies think that such presents or treats are part of the conditions to maintain business relationship with the Company.

5. The relationship and interaction between superiors and employees shall also be processed pursuant to the spirits and principles of this Codes of Ethical Conduct.

Article 6 : The Execution for Code of Ethical Conduct

1. To complete the management of honest business operation, the administration and the human resources department shall be responsible for honest business operation policies and the stipulation and supervisory execution of relevant measures and shall periodically report to the Board of Directors. Relevant units shall hold educational trainings and activities in promoting awareness to ensure that all Relevant Personnel understand, accept and will comply with and enforce these Codes of Ethical Conduct.

2. All Relevant Personnel shall keep alert in any action that might contravene the Codes of Ethical Conduct. When in doubt or discover any action that will breach the Codes of Ethical Conduct, they have the responsibility

to report to supervisors or the Board of Directors. When necessary, one can directly report to the head supervisors of human resources department, the head supervisors of audit department, the chairman or through the employee complaint channels. When Relevant Personnel report an action that contravenes the Codes of Ethical Conduct or involves in the investigation process that ensues as a result in the report by Relevant Personnel, the Company shall provide them protection so that they will not be treated unjustly or prevent from retaliation.

3. When a manager or employee contravenes the Codes of Ethical Conduct, the Company shall take actions including dismissal or termination of entrustment in accordance to the relevant regulations in the "Regulations of Personnel Management".

4. When the Director commits an act that contravenes the Codes of Ethical Conduct, it shall be handed to the Board of Directors for further investigation and disposition.

5. For those who are involved with the Company's business operation and who also contravene the principles of Integrity and freedom from corruption, the Company shall strictly dispose of such case, and shall decrease or cancel the business relationship with aforementioned companies depending on the gravity of the situation. Such cases will be handed to judicial authorities for disposition.

6. Relevant Personnel shall continue to raise awareness and promote the Company's Codes of Ethical Conduct to business operation departments or other companies that are involved in the business relationship with the Company, so that they understand and support the determination and policies of the Company's honest business operation.

Article 7 : Enforcement

The Codes will be implemented after adoption by resolution of the Board of Directors, same as amendment, and will be delivered to the Shareholder Meeting for report.

Article 8 : The Codes were enacted on November 12, 2014.



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