

Schedule 1

Model Code for Directors

1. Undertakings of Directors

Directors shall abide by laws, regulations and the Company's Articles of Association, they shall faithfully perform their duties and maintain the Company's interest. In the event that their self-interest is in conflict with the interest of the Company and its shareholders, they shall maintain the maximum interest of the Company and its shareholders, and they shall also undertake that:

- (1) They shall only exercise their rights within their scope of duties, and they shall not go beyond such a scope;
- (2) Except that it is stipulated in the Company's Articles of Association or it is approved by an informed shareholders' meeting, they shall not enter into any contract or conduct any transaction with the Company;
- (3) They shall not make use of insider's information to make profits for themselves or other persons;
- (4) They shall not engage by themselves or engage for other persons in businesses that are of the same type with the Company, nor shall they engage in activities that jeopardize the Company's interest;
- (5) They shall not make use of their positions and powers to accept bribes or other illicit income, and they shall not infringe upon the Company's property;
- (6) They shall not embezzle funds or lend the Company's funds to other persons;
- (7) They shall not make use of their positions to infringe upon or take, for themselves or other persons, business opportunities that should belong to the Company;
- (8) Without the approval of an informed shareholders' meeting, they shall not accept commissions in connection with the Company's transactions;
- (9) They shall not open deposit accounts with the Company's assets in their own name or in the name of other persons; they shall not use the

Company's assets to provide guarantee for the debts of the Company's shareholders or other persons; and

- (10) Without the approval of an informed shareholders' meeting, they shall not disclose any confidential information related to the Company they have obtained during their period of service. However, under the following circumstances, they may disclose such information to the court or other competent departments of the government:
 - (i) It is stipulated by laws;
 - (ii) It is required by public interest; and
 - (iii) It is required by the director's legal interest.

2. Commitments of Directors

Directors shall prudentially, carefully and diligently exercise the rights granted by the Company, and they shall make the following commitments:

- (1) Time and effort: directors shall ensure sufficient time and effort to perform their due duties.
- (2) Expertise and sustained education: directors shall participate in training sessions organized by supervisory bodies for directors and independent directors so as to understand the rights, obligations, responsibilities associated with directors and independent directors as well as related laws and regulations, and to grasp the expertise required of directors and independent directors.
- (3) Commitments of Self-responsibility
 - (i) They shall treat all shareholders equally.
 - (ii) They shall carefully read the Company's business and financial reports so as to learn about the Company's operation and management on a timely basis.
 - (iii) They shall attend the board meetings with an earnest attitude and express definite opinions on items on the agenda. Directors shall take the responsibility for the loss of the Company and shareholders due to their own behavior.
 - (iv) In the event that a director cannot attend the board meetings, he shall not transfer his voting right. He may mandate, in writing,

another director to attend the meeting and vote for a known item on the agenda. However, he shall independently assume the legal responsibility.

- (v) Directors shall exercise, in person, the Company management and disposal right lawfully granted and shall not be subject to the manipulation of other persons.
 - (vi) They shall accept the lawful supervision and reasonable recommendation by the supervisory board in connection with their performance of the duties.
 - (vii) Without the stipulation of the Company's Articles of Association or the legal authorization from the board of directors, they shall not act for the Company or the board of directors in their own name. When they act in their own name, and when the third party may reasonably deem that such directors act for the Company or the board of directors, such directors shall state their positions and identities in advance.
- (4) They shall abide by the commitments in connection with relevant laws and regulations, as well as the Company's Articles of Association.
- (5) Commitments in connection with connected transactions: in the event that the existing or proposed contract, transaction or arrangement of the director himself or other enterprises for which he works or between such enterprises and the Company is connected (excluding appointment contract), such director shall disclose the nature and level of the connection to the board of directors on a timely basis no matter whether the issues concerned shall normally be approved by the board of director. Unless such connected director has made disclosure to the board of directors as required, and the board meeting has approved such issue under the condition that the board of directors has excluded him from the quorum and such director has not voted on the meeting, the Company is entitled to revoke such contract, transaction or arrangement, excluding the condition that the counterpart is a third party with goodwill.
- (6) Commitments in connection with securities transaction: when directors trade securities of the Company, they shall abide by the Company's

regulations stipulated in the *Rules of Securities Dealings*.

3. Definition and Pursuit of Directors' Defaulting Responsibility

- (1) Directors shall sign on the resolutions of board meetings and shall assume responsibility for the resolutions of the board of directors. In the event that such resolutions violate laws, regulations or the Company's Articles of Association, which led to loss of the Company, directors who voted for such resolutions shall assume the responsibility of compensation. However, in the event that it is proven that directors voiced dissent at the time of voting and voted against such resolutions, which has been recorded in the minutes, such directors shall be exempted from assuming the responsibility.
- (2) Directors that cast abstention votes or directors who did not attend the meeting and had not entrusted other persons to vote against such resolutions shall not be exempted from the responsibility.
- (3) In the event that the resolution of the board of directors has led to loss of shareholders and the Company, directors who have taken part in the decision-making may be exempted from assuming the responsibility if it is proven that such directors had acted in the principles of business judgment, and that they have actually performed the obligation of integrity and diligence. Directors whose term has not expired shall assume the responsibility of compensation in the event that such directors leave their posts without authorization, which has led to loss of the Company.