



Codes of Ethical Conduct

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Article 1 Purpose of and basis for adoption

Pursuant to Article 6 of CTCI's Corporate Governance Principles, CTCI's Codes of Ethical Conduct are established to pursue the greatest interest of CTCI and devote in continuous business development. And for stakeholders to understand the content of ethical standards and code of conduct that have been complied by directors, managers and all employees in the execution of their duties. CTCI's Codes of Ethical Conduct shall be approved by a resolution of the Board of Directors.

Article 2 Scope

The Codes of Ethical Conduct are applicable to CTCI's subsidiaries, and other institutions or juridical persons which are substantially controlled by CTCI ("business group").

The term "CTCI employees" in this Codes of Ethical Conduct refers to directors, supervisors, and managerial officers (including deputy assistant general managers or their equivalents, chief financial and chief accounting officers), and employees.

Article 3 Compliance of ethical conduct

CTCI directors and managers shall comply with all regulations and the Codes of Ethical Conduct. They shall set as examples to CTCI



employees, promoting the practice of this Codes of Ethical Conduct, pursuing high-level compliance of this Codes.

CTCI directors and managers shall fulfill the duty of care of a good custodian, and as their objective the pursuit of CTCI's overall benefit. Moreover, CTCI employees may not damage CTCI's rights and interests for the benefit of a specific individual or specific group, and shall treat all shareholders fairly.

In the execution of their duties, CTCI employees shall focus on teamwork, abandon sectionalism, diligently comply with the principle of honesty and credibility, be proactive, responsible and prudent.

Article 4 Fair hiring and anti-discrimination policy

No form of preferential treatment or discrimination should take place in any form based on race, sex, religious beliefs, political party affiliation, sexual orientation, position, nationality, or age.

Article 5 Safe and healthy working environment

CTCI employees should work to maintain a safe and healthy environment, and there should be no instances of harassment, or violent and threatening behavior

Article 6 Prevention of conflicts of interest

When a proposal at a given board of directors meeting concerns the interest of CTCI, the concerned person shall not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director.

Where a director or manager, for himself/herself or on behalf of others, enters into a sale/purchase or loan transaction, or conducts any legal act with CTCI, he/she shall disclose detail information of the above situation to the audit committee.



Article 7 None competition

If a director engages in conduct involving competition with CTCI, pursuant to the Company Law, he or she shall report the matter in advance to a general meeting of shareholders and obtain approval.

If a manager engages in conduct involving competition with CTCI, in accordance with the Company Law, he or she shall report the matter in advance to board of directors and obtain approval

Article 8 Minimizing incentives to pursue personal gain

CTCI employees shall faithfully execute their duties in the interests of all shareholders. As regards procurement and supply arrangements related to CTCI's operations, cooperation arrangements, strategic alliances or other commercial opportunities or opportunities from which profit may be gained with which CTCI employees become familiar as the result of executing their functional duties, CTCI employees shall give priority to providing such opportunities to CTCI or to preserving the interests of the Company, and must not take advantage of such opportunities to seek personal gains for themselves or third parties.

CTCI employees shall prevent the following activities:

1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.
2. Competing with CTCI or damage CTCI's interest through any methods.

Article 9 Fair trade

CTCI employees 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.

Article 10 Insider trading

Work-related knowledge and any information that could affect the share price of CTCI stock, before it has been disclosed as public information, all information shall be kept confidential pursuant to The Securities and Exchange Act regulations, and shall not to be used to engage in insider trading.

Article 11 Confidentiality

Company employees' work-related knowledge, confidential information or customer data is to be carefully managed, and except for that required for company disclosure or publicized as required by law, data should not be leaked to other persons, or used for any non-work related matter. This Article also to employees who have left the Company.

CTCI employees are obliged to keep the Company and its clients' information confidential. Information shall not be disclosed prior to Company's authorization or as required by law, and leaked to other persons or used for any non-work related matter. The confidential information includes, but is not limited to, any undisclosed information that may be utilized or divulged by competitors and consequently cause damage or loss to the Company or its clients, as well as information regarding the investments, inventions, business secrets, technical data, product design, professional manufacturing knowledge, finance, accounting and intellectual property rights of CTCI.

Article 12 Safeguarding and proper use of company assets

CTCI employees have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used



for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact CTCI's profitability.

Article 13 Legal compliance

CTCI employees shall comply all regulations and company's policies and procedures.

Article 14 Encouraging reporting on illegal or unethical activities

CTCI shall raise awareness of ethics internally and encourage employees to report with defined identity or anonymously upon suspicion or discovery of any activity in violation of a law or regulation or the Codes of Ethical Conduct. The company shall use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 15 Procedures for penalizing

CTCI employees in violation of the Codes of Ethical Conduct shall be penalized according to the Company's Rewards and Punishment related policy. Employees who are in significant violation of this Conduct shall be reported to Board of Directors.

Article 16 Procedures for exemption

In the event that a director or supervisor wishes to be exempted from the applicability of the Codes of Ethical Conduct, he or she should explain said opportunity, information or the specific details of the competition with CTCI to the Board of Directors, and the reasons why there is no conflict with CTCI's interests; this shall then be approved by a resolution of the Board of Directors.

Upon approval by a resolution of the Board of Directors of an exemption of applicability as provided in the preceding paragraph, CTCI shall immediately disclose information including the titles and names of the personnel exempted, the date of board approval of



the exemption, the period of the exemption, the reasons for exemption, and the standard(s) has been exempted on the Market Observation Post System (MOPS).

Article 17 Enforcement and method of disclosure

CTCI's Codes of Ethical Conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, and shall disclose in CTCI annual reports on its website.