

Corporate Social Responsibility Principles (the “Principles”) of Far Eastern New Century Corporation (“FENC”)

Last Updated: 2014/11/11

Chapter 1 General Principles

Article 1 In order to fulfill FENC’s corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, FENC hereby promulgates the Principles in accordance with “Corporate Social Responsibility Best Practice Principles for Taiwan Stock Exchange Corporation/GreTai Securities Market Listed Companies”.

Article 2 The Principles apply to entire operations of FENC and its production subsidiaries (hereinafter referred to as the “Company”).

The Company gives due consideration to the rights and interests of stakeholders and actively fulfills its corporate social responsibility in the course of the business operations so as to give due consideration to the environment, society, and corporate governance.

Article 3 To implement corporate social responsibility initiatives, the Company sets out the principles below:

- 1) Exercise corporate governance.
- 2) Foster a sustainable environment.
- 3) Preserve public welfare.
- 4) Enhance disclosure of corporate social responsibility information.

Chapter 2 Exercising Corporate Governance

Article 4 The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the

thorough implementation of its corporate social responsibility policies.

Article 5 For the purpose of managing corporate social responsibility initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans.

Article 6 The Company shall establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The Company shall comply with relevant laws and regulations, avoid engaging in unfair competition, not tolerate bribery or corruption to maintain a fair competition environment.

Chapter 3 Fostering a Sustainable Environment

Article 8 The Company shall follow relevant environmental laws when engaging in business operations to reduce the impact on the natural environment.

Article 9 The Company shall endeavor to utilize all resources more efficiently.

Article 10 The Company in operation shall avoid polluting water, air and land, and adopt appropriate practical pollution prevention and control measures.

Article 11 The Company shall focus on water management, waste disposal, recycling, green environment, green procurement, and other measures.

Article 12 The Company shall monitor the risks and opportunities of climate change on its operations and enforce its greenhouse gas emissions inventories.

Chapter 4 Preserving Public Welfare

Article 13 The Company shall comply with relevant labor laws and regulations, protect the legal rights and interests of employees, and shall not commit violations against the fundamental labor rights.

The Company shall ensure that their human resource policies do not contain

differential treatments based on gender, race, age, or marital and family status, so as to achieve equality in compensation, hiring conditions, training, and promotion opportunities.

Article 14 The Company shall provide safe and healthful work environments for its employees, and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

Article 15 The Company shall create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.

Article 16 The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.

When the Company carries out marketing or advertising of its products or services, the Company shall not deceive, mislead or commit fraud.

Article 17 The Company shall cooperate with its suppliers and business partners to jointly implement the corporate social responsibility initiative.

Article 18 The Company shall, through commercial activities, non-cash property endowments, volunteering service or other professional services, participate in events held by charities and local government agencies relating to community development to promote community development.

Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information

Article 19 The Company shall disclose information according to relevant laws, and shall disclose relevant and reliable information relating to its corporate social responsibility initiatives to improve information transparency.

Article 20 The Company shall issue corporate social responsibility reports, to disclose the status of its implementation of the corporate social responsibility policy.

Chapter 6 Supplementary Provisions

Article 21 The Principles herein take effect after approval at the directors' meeting. The same applies for any amendments.

*In case of any discrepancy between this English translation and the Chinese text of this document, the Chinese text shall prevail.