

LCY Technology Corporation

Code of Ethical Conduct

Established by the Board of Directors on Wednesday, July 19, 2017

Established by the Board of Directors on Friday, March 27, 2020

Article 1 (Purpose of and basis for adoption)

For the purpose of implementing the core values of the Company, maintaining high occupational ethical standards, guiding directors and managerial officers of the Company to act in line with ethical standards during the performance of daily jobs and duties, and to assist stakeholders of the company to further understand the ethical standards of the Company, the Company establishes the Code of Ethical Conduct (hereinafter referred to as “this Code”) in accordance with the “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies” for compliance.

Article 2 (Applicable subjects)

Directors and managerial officers of the Company shall comply with this Code.

“Managerial officers” described in the preceding paragraph, according to the provision specified in Tai-Tsai-Zheng-III-Zi No. 092000131 Letter dated 20030327, include general managers and their equivalents, assistant general managers and their equivalents, deputy assistant general managers and their equivalents, financial department supervisor, accounting department supervisor, and other persons authorized to manage affairs and the right to provide signature on behalf of the Company.

This Code is applicable to business groups and organizations of the Company, which comprise its subsidiaries, any foundation to which the Company's direct or indirect contribution of funds exceeds 50 percent of the total funds received, and other institutions or juridical persons which are substantially controlled by the Company.

Article 3 (Prevention of conflict of interest)

Directors and managerial officers of the Company shall adopt objective and efficient method to handle official duties, and shall prevent any conduct that may be in conflict of interest with the Company during performance of job duties of the Company for the purpose of gaining improper benefits for themselves or for the juristic person that they represent, or for their spouse, parents, children or a relative within second degree of kinship.

Where a director of the Company invests in or operates business of a scope identical to the scope of business of the Company or acts as a director of similar company, such matter shall be reported to the board of directors for cancellation of the non-compete restrictions for directors according to Article 209 of the Company Act.

The managerial officers of the Company shall comply with the provision of Article 32 of the Company Act; however, for those exempted from the non-compete restriction

according to the resolution of the board of directors, such requirements shall not be applied.

With regard to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which directors of the Company work, relevant directors of the Company shall voluntarily explain whether there is any potential conflict between them and the Company, and approval of the board of directors shall be obtained.

Article 4 (Prohibition on obtaining of personal gain)

Directors and managerial officers of the Company shall not obtain personal gain by arbitrarily using company properties or information for non-official purposes to take advantages of their positions or to obtain personal gain.

Any external activities of directors and managerial officers of the Company shall not be in direct or indirect business competition with the Company and shall not involve any matters involving taking advantages of one's job position or obtaining personal gain. Relevant conflict of interest shall be handled in accordance with the provision of Article 3.

When the Company has an opportunity for profit, it is the responsibility of the directors and managerial officers of the Company to maximize the reasonable and proper benefits that are obtainable to the Company.

Article 5 (Non-disclosure obligation)

Directors and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its customers of purchase (sales), except when authorized by the Company or required by law to disclose such information.

The confidential information described in the preceding paragraph includes any undisclosed information that, if exploited by a competitor or disclosed, may result in damage to the Company or customers.

Article 6 (Fair trade)

Directors and managerial officers of the Company shall fairly treat and respect all suppliers and customers, competitors and employees, 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 7 (Safeguarding and proper use of company assets)

All directors and managerial officers of the Company shall bear the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes, thereby preventing any theft, negligence or waste of assets that may affect the Company's profitability.

Article 8 (Legal compliance)

Directors and managerial officers of the Company shall properly comply with the Securities and Exchange Act and other laws and regulations.

Article 9 (Encouraging reporting on illegal or unethical activities)

The Company shall encourage all employees to report through reporting channel or report to internal audit supervisor or other appropriate individual upon suspicion or discovery of any directors and managerial officers engage in conducts in violation of laws or regulations or the Code of Ethical Conduct and after sufficient relevant information is obtained.

The company shall adopt confidential handling method for the entire process of all reporting cases accepted and shall also bear the responsibility for protecting the safety of the personnel filing reports on violations and the personnel handling such cases.

Article 10 (Disciplinary measures)

When any director and managerial officer of the Company engages in any conducts violating the Code of Ethical Conduct, it shall be reported to the board of directors, and such violation shall be handled in accordance with the resolution of the board of directors and relevant provisions of the work rules.

The Company shall disclose information on the Market Observation Post System (MOPS) website for the date, details, reasons and principles of violations.

For report cases filled and accepted, the Company shall provide the opportunity of response or appeal to the individual being reported for violation during the investigation and verification process.

Article 11 (Procedures for exemption)

When there is a need exempt any director and managerial officer of the Company from compliance with this Code under the condition where the business philosophy of the Company is not breached, such exemption shall be approved by the board of directors through resolution.

The Company shall disclose information on the date on which the board of directors adopted the resolution for exemption, name of the director or managerial officer exempted from the restriction, objections or reservations of independent directors, period to which the exemption is applicable, reasons and principles on the Market Observation Post System (MOPS) website timely, in order to allow the shareholders to assess whether the resolution adopted by the board of directors is appropriated and to ensure that appropriate control mechanism is adopted for the exemption of compliances, thereby protecting the Company properly.

Article 12 (Method disclosure)

This Code shall be disclosed on the Company's website and in the Company's annual reports and prospectuses as well as on the MOPS. The same requirements shall also be applied to amendments thereof.

Article 13 (Implementation)

This Code shall be approved by the audit committee and board of directors before implementation, and shall be reported at a shareholders' meeting. The same requirements shall also be applicable to amendments thereof.

Article 14

(Deleted)