

NOVA TECHNOLOGY CORP.

Corporate Social Responsibility Best Practice Principles

Chapter I General Principles

Article 1 In order to fulfill the corporate social responsibility initiatives and to promote economic, social and environmental balance and sustainable development, the company established these principles for compliance based on “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies.”

Article 2 The principles apply to the Company, including entire operations of the company and its business group.
The company shall actively fulfill its corporate social responsibility in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.

Article 3 In fulfilling corporate social responsibility initiatives, the company shall, in its corporate management and business operations, give due consideration to the social mores and the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

In accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4 To implement corporate social responsibility initiatives, the Company comply to follow the principles below:

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

Article 5 The Company shall comply with relevant laws, regulations, its Articles of Incorporation, agreements entered into with the TWSE or GTSM, and other relevant rules. Further, it is advised to take into consideration the development of domestic and international corporate social responsibility principles and the

operation of individual company and of its respective business groups as a whole in establishing its policies, systems or relevant management protocols for corporate social responsibility programs, which shall be approved by the board of directors.

Chapter II Exercising Corporate Governance

- Article 6** The board of 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. The board of directors of the Company is advised to give full consideration to the following matters, in the Company's performance of its corporate social responsibility initiatives:
1. Making corporate social responsibility the guiding principle of the Company's operations and development;
 2. Identifying the Company's corporate social responsibility mission (or vision, values) and declaring its corporate social responsibility policy; and
 3. Enhancing the disclosure of corporate social responsibility information.
- Article 7** For the purpose of managing corporate social responsibility initiatives, the General Manager Office serves as the exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies or systems of the company and to report on the same to the board of directors on a periodic basis.
- Article 8** The Company shall respect the rights and interests of stakeholders, identify and understand the reasonable expectations and demands of stakeholders through proper communication with them and allowing their participation, and shall adequately respond to the important corporate social responsibility issues which such parties are concerned about.
- Article 9** The Company shall follow Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and the Code of Ethical Conduct for TWSE/GTSM listed Companies to establish effective corporate governance framework and relevant ethical standards so as to enhance corporate governance.
- Article 10** The Company shall comply with relevant laws and regulations and observe the following guidelines to maintain a fair competition environment:

1. Avoid engaging in unfair competition.
2. Faithfully fulfill tax-related obligations.
3. Not tolerate bribery or corruption and establish appropriate management systems.
4. Corporate endowments should be made in accordance with the company's internal procedures.

Article 11 The company is advised to, on a regular basis, organize training on business ethics and promotion of matters prescribed in the preceding Article for directors and employees, and should incorporate the foregoing into its employee performance appraisal system to establish a clear and effective reward and discipline system.

Chapter III Fostering a Sustainable Environment

Article 12 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business activities.

Article 13 The Company is advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 14 The Company is advised to establish proper environment management systems based on the characteristics of their industries. Such environment management systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Examining the purpose of the environmental sustainability goals or their achievement on a regular basis.

Article 15 ISEP Department serves as the dedicated unit for environment management to maintain the environment management system and should hold environment education courses for their managerial officers and employees on a periodic basis.

Article 16 The Company is advised to take into account the effect on ecological efficiency, promote and educate consumers on the concept of sustainable

consumption, and conduct research and development and services in accordance with the following principles to reduce the impact on the natural environment from their business operations:

1. Reduce resource and energy consumption of their products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 17 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures. The Company shall avoid polluting water, air and land in the course of its business operations. If pollution is unavoidable, the company shall take into account cost efficiency, technology and financial feasibility and use its best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 18 The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures.

The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.

The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The companies' carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter IV Preserving Public Welfare

Article 19 The Company shall comply with relevant labor laws and regulations, protect

the legal rights and interests of employees, respect internationally recognized principles of the labor force's human rights, and shall not commit violations against the fundamental labor rights. The human resources policies of the Company shall be founded on the principles of the labor force's human rights and shall contain appropriate management methods and procedures.

- Article 20** The Company shall provide information for its employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.
- Article 21** The Company is advised to provide safe and healthful work environments for its employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.
The Company advised to organize training on safety and health for their employees on a regular basis.
- Article 22** The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.
The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.
- Article 23** The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions.
The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.
The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.
- Article 24** The companies shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of their products and services. They further shall

establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 25 The Company shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of its industries.

The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 26 The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with relevant laws and regulations for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 27 The Company is advised to assess the impact its procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with its suppliers on environmental protection, safety, or health, etc. to jointly foster a stronger sense of corporate social responsibility.

The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the Company enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community

of the supply source.

Article 28 The Company is advised to evaluate the impact of its business operations on the community and adequately employ personnel to enhance community acceptance.

The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services, dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter V Enhancing Disclosure of Corporate Social Responsibility Information

Article 29 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which the Company shall disclose includes:

1. The policy, systems and relevant management guidelines for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the Company.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. Result of implementing corporate social responsibility initiatives.
6. Other information relating to corporate social responsibility initiatives.

Article 30 The Company is advised to shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The report is advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment and preservation of public welfare.
4. Future improvements and goals.

Chapter VI Supplementary Provisions

Article 31 The company shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve its established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.

Article 32 These principles, and any amendments hereto, shall be implemented upon approval by board of directors, and shall be reported to the shareholders meeting.