

Sinyi Realty Inc.

Regulations on whistle-blowing of illegal and unethical or dishonest conduct

Article 1 (Purpose)

To put the ethical conduct and honest operation of Sinyi Realty Inc. (the “Company”) into effect and assure sustainability of the Company, the regulations are adopted according to the Company’s Article No. 23 of Ethical Corporate Management Best Practice Principles and Article No. 49 of the Corporate Governance Principles.

Article 2 (Scope)

The Regulations are applicable to all the Company’s and its subsidiaries’ employees and external units or persons.

Article 3 (Dedicated Units)

The Company’s corporate ethics office, internal audit unit and legal service unit in customer’s service department are dedicated as the receiving units of whistle-blowing of illegal and unethical or dishonest conduct.

Article 4 (Ways of whistle-blowing)

The Whistle blower may report misconduct through letters, e-mails and telephone:

1. Mail address and addressee: No. 100, Sec. 5, Xinyi Road, Taipei with addressee the Chairperson, independent directors, Corporate Ethical Office, internal audit office or customer’s service department.
2. E-mail address: the mail boxes of the Chairperson, independent directors, Corporate Ethic, internal audit executive officer or the managers of customer’s service department.
3. Report Line: the phone extensions of the ethical executive officer, managers of internal audit office and customer’s service department.

Whistle-blowing reporting from above-mentioned channels will be investigated by the dedicated units in article 3.

Article 5 (Operation procedures of reporting)

1. The Essentials of reporting:
 - (1) the whistle blower should provide his/her name, contact telephone number and mailing address (or e-mail address)
 - (2) the involved persons’ names and their service unit.

- (3) specific facts and evidence which should include who, what, when, where, why as complete as possible.
2. The report will be rejected when:
 - (1) the whistle blower is anonymous or reports with fake name and does not provide his/her any contact method. However, the restriction does not apply to the reporting which consists specific and clear content and also high reliability in preliminary verification.
 - (2) the report is proved to be false or falsified after initial investigation.
3. dealing of reporting case
 - (1) The dedicated units handling the whistle-blowing system are responsible for dealing with the reporting case and strictly assure the high confidentiality of the whistle blower's identity and the reporting content.
 - (2) The dedicated unit handling the whistle-blowing system should analyze the reporting case and make a judgment if it meets the criteria of essentials for investigation in the preceding paragraph. Furthermore, for those reporting within reliability and necessity, the dedicated unit will begin the investigation or instruct the relevant units to assist the investigation accordingly. In the latter condition, the dedicated unit shall keep tracking the progress of the investigation.
 - (3) When the case does not meet the criteria for investigation, the dedicated unit handling the whistle-blowing system should record the reason and file and then inform the whistle blower why the investigation is not conducted.
 - (4) When the case is not handled by the dedicated unit without any justified reason, or is not handled by the supervisor of the informed person even though he had already known the illegal and unethical or dishonest conduct before the case had been reported, the Company shall act according to relevant disciplinary provisions.
 - (5) To protect the right of the informed counterparty in the case and to avoid that he/she was reported due to the revenge, the Company should provide the informed person with the opportunity to deliver his/her opinions or to appeal and may convene a committee to review. The committee shall be convened by the dedicated unit and shall be consist of at least the ethical executive officer, managers of internal audit office and customer's service department.
 - (6) Except those reporting cases without reliability and necessity, after completing the necessary investigation procedures, the dedicated unit handling the whistle-blowing system should issue an investigation report

according to the finding and facts to Company chairman. When any tip which shows a director or senior manager is involved arises or material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.

Article 6 (filing)

The dedicated unit handling the whistle-blowing system should file the documents with confidential level for five years after the handling procedures are completed. The file may be retained electronically.

Article 7 (The protection of the whistle blower)

The Company should protect the identity of the whistle blower and the information of the stakeholders to prevent the report from damaging the whistle blower's interest or discrimination of personal promotion and changes. However, the protection does not include the reporting behavior with the purpose of defamation, fabrication or setting up others.

The content of report should be kept strictly confidentially and the person responsible for the investigation should strictly keep the whistle blower and the report confidential. The whistle blower can be open to the public only with the permission of the whistle blower in advance.

Article 8 (The reward of the whistle blower)

If the report was proved to be true after investigation, the receiving unit should raise an application of reward to the Company for the whistle blower after considering the contributions of the report to the Company and its economic benefit.

Article 9 (Effect and amendment)

The Regulations shall be effective from the date it is approved by Chairperson of the Company. The same applies in case of revision.