

CHC Resources Corporation

Codes of Ethical Conduct for Directors

Established on March 23, 2006
Second amendment made on November 5, 2020

Chapter 1: General Provisions

Artical I The Codes have been especially established in order to promote honest and ethical conduct on the part of directors, and to establish sound corporate governance.

Chapter 2: Codes of Ethics

Artical II When performing their duties, directors shall comply with the following basic principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the functions and powers of the Board of Directors.
3. Respect the rights and interests of stakeholders.
4. Enhance information transparency.

Artical III While exercising their functions and powers, directors shall have the pursuit of the Company's overall benefits as their objective, and must not harm the Company's rights and interests for the benefit of a specific individual or specific group. Moreover, when exercising their functions and powers, they shall treat all shareholders fairly.

Artical IV When exercising functions and powers, directors shall fulfill the duty of care of a good custodian, emphasize the principles of good faith and fairness, maintain a high degree of self-discipline and adhere to the law, the Company's Articles of Incorporation and the resolutions of the Shareholders' Meeting.

Artical V Directors shall faithfully perform their duties for the interests of all shareholders. The interest of the Company shall be the first priority when there is any conflict of personal interests with the interest of the Company, and directors shall avoid using their powers for the following personnel or enterprises to obtain improper interests:

1. Directors themselves or their spouses, parents, children, or relatives within the third degree of kinship.
2. Enterprises that the persons in the previous subparagraph are directly or indirectly entitled to has the right to considerable financial benefits.
3. Enterprise in which the directors concurrently hold positions as chairmen, executive directors, or senior managerial officers.

The Company shall pay special attention to loans, major asset transactions, the purchases (sales) of goods, or provision of guarantee involving persons and enterprises in the previous subparagraph.

Artical VI As regards of procurement and supply arrangements, cooperation, strategic alliances, mergers and acquisitions or other business opportunities or opportunities for profit of which directors are aware due to performance of their duties, directors shall give

priority to providing such opportunities to the Company or to maintain the interests of the Company, and must not take advantage of such opportunities to seek personal gains for themselves or third parties.

Artical VII If a director engages in conduct involving competition with the Company, he/she shall report the matter to the Shareholders' Meeting in advance and obtain approval in accordance with Paragraph 1 of Article 209 of the Company Act.

Artical VIII Directors shall assume the obligation to maintain the confidentiality of the Company's secret information, except when publication is authorized or required by the law. In addition, directors must not use the aforementioned secret information to seek personal gain for themselves or third parties.

Artical IX Directors shall ensure the rights and interests of shareholders, and shall respect the interests of stakeholders, including banks with which the Company has business dealings, creditors, employees, consumers, suppliers, subsidiaries and the community.

Artical X Directors shall observe laws concerning the prevention of insider trading and other securities laws concerning equity trading and handling of confidential business information. Directors who are in possession of important unpublished information must not engage in trading of related securities.

Artical XI If a proposal at a Board of Directors' meeting involves a director him/herself or the concerned parties set forth in Articles 5 and 6, such that there are concerns that the interests of the Company could be harmed, the director shall immediately and voluntarily recuse him/herself, and may not participate in voting. In addition, the director may not exercise his/her voting right as proxy for another director.

Chapter 3: Supplementary Rules

Artical XII Natural persons appointed by corporate shareholders and directors to exercise their duties shall comply with the Codes.

The provisions of the Codes shall apply mutatis mutandis to corporate shareholders represented by directors who serve as the representatives of corporate shareholders.

Artical XIII In the event that a director wishes to be exempted from the applicability of Article 5, he/she shall fully disclose to the Board of Directors the persons or corporations listed in Article 5 and the interest relationship of each legal act, and the reasons why this is not disadvantageous to the Company and it conforms to business conventions, and shall seek approval from the Board of Directors. However, if such an instance falls within the legal acts between a director and the Company as stipulated in Article 223 of the Company Act, the convener of the Audit Committee shall serve as the representative of the Company.

In the event that a director wishes to be exempted from the applicability of Article 6, he/she shall explain the specific content of the opportunity to the Board of Directors, and

the reasons that it does not conflict with or affect the interests of the Company, which shall be approved by resolution of the Board of Directors.

Upon approval by a resolution of the Board of Directors regarding exemption from applicability as provided in the preceding two paragraphs, the Company shall immediately disclose on the Market Observation Post System (MOPS) the titles and names of the personnel exempted, the date when the exemption was approved by the Board of Directors, independent directors' objections or reserved opinions, the term of exemption from applicability, the reasons for exemption from applicability, and the standard(s) for exemption from applicability.

Artical XIV The Codes, and any amendments to it, shall be disclosed on the company website, in its annual reports and prospectuses and on the MOPS.

Artical XV The Codes, and any amendments to it, shall enter into force after it has been adopted by the Board of Directors, and submitted to the Shareholders' Meeting for report.