

Guidelines for the Adoption of Codes of Ethical Conduct The Far Eastone Telecommunications Co., Ltd.

Approved by Board of Director Meeting on 2015/7/30

Article 1	<p>(Purpose and basis)</p> <p>In order to guide the Company’s directors, managers, employees, and mandataries to behave in accordance with ethical standards and improve stakeholders’ understanding of the Company’s ethical standards, the Company has stipulated the Guidelines for the Adoption of Guidelines of Ethical Conduct (the “Guidelines”) for them to comply.</p>
Article 2	<p>(Applicable parties)</p> <p>The Guidelines is applicable to the Company’s directors, managers, employees, and mandataries. The foresaid applicable parties are hereafter referred to as the “Applicable parties”.</p>
Article 3	<p>(Principle of ethical business conduct)</p> <p>When conducting business, the Company and the Applicable parties will comply with ethical standards and insist on the principles of honesty and trust in order to comply with the following best practices in the telecommunications industry.</p>
Article 4	<p>(Prevention of conflict of interests)</p> <p>The Applicable parties shall conduct business in an objective and efficient way and are not allowed to obtain any illegitimate benefit for themselves, their spouses, parents, children or relatives within the second degree of consanguinity through their position in the Company.</p> <p>When the Company has lending or borrowing agreements with a related company of any person mentioned in the preceding paragraph, or gives guarantee for, or has material asset transactions with, or purchases/sells goods to/from such related parties, the Applicable party relevant to the Company shall voluntarily elaborate any possible conflict of interests between the Company and himself/herself, and shall be handled in accordance with the Company’s behavior standards to prevent conflict of interests.</p>
Article 5	<p>(Prohibition against coveting private profit)</p> <p>The Applicable parties are prohibited from:</p> <ol style="list-style-type: none"> 1. obtaining personal benefit through using the Company’s properties, information or through their positions in the Company; 2. competing with the Company; 3. acting that are prohibited in the Company’s behavior standards or other related regulations.

Article 6	<p>(Responsibility of confidentiality)</p> <ol style="list-style-type: none"> 1. The Applicable parties is obligated to keep the Company’s technical and non-technical information or information on customers of goods purchase and sale (the “confidential information”) secret, except where it is required to be disclosed under authorization or laws and regulations. Information to be kept confidential includes all undisclosed information which may be used by third parties or may harm the Company or customers if it is revealed. 2. The Applicable parties should also observe regulations set forth on “Confidentiality Undertakings” and other relevant confidentiality agreements entered into with the Company.
Article 7	<p>(Fair trade)</p> <ol style="list-style-type: none"> 1. The Applicable parties shall treat customers of goods purchase and sale, competitors and employees based on the principle of ethics and reasonableness and shall not manipulate, hide or misuse information obtained through their positions, make misrepresentation on important matters or obtain illegitimate benefits through unfair trading. 2. The Applicable parties should observe regulations set forth in the Company’s “Behavior Standards” and “Rules Governing Employees’ Acceptance of Gifts or Entertainment” when accepting any gift or entertainment.
Article 8	<p>(Proper protection and use of the Company's assets)</p> <p>The Applicable parties shall all protect the Company’s assets and ensure that assets are legally and effectively used for the business purpose of the Company to avoid theft, negligence or wasting.</p>
Article 9	<p>(Compliance)</p> <p>The Applicable parties shall comply with the Securities and Exchange Act and other laws and regulations.</p>
Article 10	<p>(Reporting any illegal behavior or violation of the Guidelines is encouraged)</p> <p>The Company undertakes educational advocacy of the Guidelines for the Applicable parties on a regular basis.</p> <p>When the Applicable parties suspect or find any fact of violation of laws and regulations or the Guidelines, they should actively report such fact to the Audit Committee, managers, internal auditing authority or other appropriate personnel and provide the Company with sufficient information for proper follow-up by the Company.</p> <p>All of reports will be kept confidential and investigated by independent channels to protect informants.</p>
Article 11	<p>(Punishment and remedy)</p> <p>If any of the Applicable parties violate the Guidelines, the Company will handle the case in accordance with laws or relevant internal</p>

	<p>regulations.</p> <p>The Company has set up an appeal system for violators to seek remedy in accordance with related regulations.</p>
Article 12	<p>(Procedures for exemption)</p> <p>If the Applicable parties intend exemption from compliance with the Guidelines, it shall be resolved with approval by the board of directors, and the information on the date of exemption approved by the board of directors, objections or reservations opinions of independent directors, and the period of, reasons for, and basis of exemption shall be disclosed immediately on the Market Observation Post System (MOPS).</p>
Article 13	<p>(Way of disclosure)</p> <p>The Company shall disclose the Guidelines on its web site, annual report, prospectuses and Market Observation Post System. The same requirement applies for revision.</p>
Article 14	<p>(Implementation)</p> <p>The Guidelines shall enter into force after being approved by the Audit Committee and the board of directors, and the same shall also be reported at the shareholders' meeting. The same procedure shall be followed when the Guidelines has been amended.</p>