

Discussions of integrity and ethics are common topics in nearly all business publications today. But these discussions are not new to Diodes Incorporated - integrity and ethics have always been an integral part of the way we conduct business at Diodes. Operating with a strong sense of integrity is critical to maintaining trust and credibility with our customers, vendors, partners, employees, and investors. The actions of each and every one of us are important to maintain a strong ethical culture. Our continued emphasis on high ethical standards ultimately allows us to better focus on our business goals.

Our code has traditionally embodied such rules regarding individual and peer responsibilities, as well as responsibilities to our employees, customers, suppliers, shareholders, the public, and includes:

- a. ethical handling of conflicts of interest;
- b. full and fair disclosure;
- c. compliance with laws, rules and regulations (including insider trading and anti-bribery and corruption laws); and
- d. encouraging the reporting of any unlawful or unethical behavior.

All employees, officers and directors should have regard, not only to this Code of Business Conduct (the "Code"), but to all supplements to it, found at <http://investor.diodes.com/phoenix.zhtml?c=62202&p=irol-govhighlights>. Of particular note is Diodes' antibribery policy, which includes the International Supplement Regarding Foreign Corrupt Practices Act and UK Anti-Bribery Legislation.

*The information below contains those portions of our code of conduct which address the significant issues listed above.*

### **OVERVIEW OF BUSINESS ETHICS**

The collection of policies and guidelines established in the Code of Business Conduct applies to all Diodes employees, officers and directors. We believe that long-term, trusting business relationships are built by being honest, open and fair. We promise to uphold the highest professional standards in all global business operations. We also expect that those with whom we do business (including suppliers, agents, customers or distributors) will adhere to the standards set by the Diodes Code of Business Conduct.

Outstanding employees are key to Diodes success. Everyone is part of the Company team, and each of us deserves to be treated with dignity and respect. In addition, every employee is responsible for her/his own conduct. No one has the authority to make another employee violate Diodes Code of Business Conduct, and any attempt to direct or otherwise influence someone else to commit a violation is unacceptable.

Managers, in particular, set an example for other employees and are often responsible for directing the actions of others. Diodes requires all employees, officers and directors, including managers, to know and understand the Code of Business Conduct, as it applies personally to the employee or manager and to those under his/her supervision. The fundamental principle that underlies the way we do business at Diodes is good judgment. An understanding of our legal and ethical parameters enhances that judgment. Diodes has a responsibility to comply with all applicable laws and regulations in all of its operations worldwide. We have the same legal and ethical obligations to the communities in which we do business and to the customers with whom we do business. For everyone at Diodes, this means following the spirit of the law and doing the right, ethical thing.

### **LEGAL AND ETHICAL CONDUCT**

It is Diodes' policy to comply fully with all applicable laws and regulations in the countries in which we operate and to conduct our affairs according to the highest legal and ethical standards.

The spirit of this Code requires a high degree of integrity in all interactions with all our key stakeholders (i.e. shareholders, employees, officers, directors, customers, suppliers, local communities, government at all levels, and the general public).

Employees have a number of responsibilities including, but not limited to, the following:

- avoid any knowing involvement in acts known to be illegal, unethical or otherwise improper;
- have a reasonable, practical working knowledge of the laws, regulations and corporate policies affecting their responsibilities;
- seek guidance from their supervisor when in doubt about responsibilities or how to apply this Code in a specific situation;
- report possible violations of law or Diodes' policy or this Code in accordance with this Code;
- act as ambassadors for Diodes in all interactions; and
- avoid conflicts of interest,

Managers have a number of additional responsibilities including, but not limited to, the following:

- ensure that employees understand this Code and their responsibilities under it;
- take reasonable steps to maintain a workplace environment that encourages frank and open discussion of possible violations without concern for retaliation;
- conduct compliance reviews on an annual basis to assure adherence to this Code; and
- take actions when a concern is identified to ensure that employees under their supervision understand and are complying with this Code.

### **REQUIREMENT FOR ETHICAL CONDUCT**

Each employee, officer and director shall promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships by, among other things:

- Doing what is right. Would you be embarrassed if everyone knew you did it? Then do not do it.
- Acting as a role model for employees under your supervision by acting in an honest and ethical manner.
- Reporting all actual or apparent ethical conflicts to one of the possible reporting channels described below.
- Preventing retaliation against any employee for good faith reporting of violations of this Code or for participating in any investigation relating to a reported violation of this Code.
- Promoting accountability for adhering to this Code by supporting appropriate sanctions for violations.

Members of Diodes' Board of Directors have a special responsibility because our directors are prominent individuals with substantial other responsibilities. To avoid conflicts of interest, directors are expected to disclose to their fellow directors any personal interest they may have in a transaction to which Diodes is a party and to excuse themselves from participation in any decision in which there is a conflict between their personal interests and the interest of Diodes.

This Code outlines the broad principles of legal and ethical business conduct embraced by Diodes. It is not a complete list of legal or ethical situations an employee, officer or director might face in the course of business, and therefore, this Code must be applied using common sense and good judgment. Employees, officers and directors in other countries are expected to comply with all local laws and Diodes' ethical conduct policies.

Although we realize that no two situations are alike, we aim for consistency and balance when encountering any ethical issues. It is essential that we all keep an eye out for possible infringements of Diodes' Code of ethics - whether these infringements occur in dealings with the government or the private sector, and whether they occur because of oversight or intention. Employees, officers or directors who have questions regarding business conduct or possible violations should contact one of the following reporting channels:

- You are encouraged to contact your immediate supervisor.
- If you prefer, please contact the HR manager at your location for any HR issue, or contact Diodes' Internal Audit Manager.
- If you wish to maintain anonymity, please call the employee hot line, which will be supervised by the Audit Committee of the Board of Directors.

However, a potential violation of this Code should not be reported to a person implicated in the violation.

Amendment to, and waivers from the requirements of this Code applicable to all employees, directors and officers may be made from time to time by the Chief Executive Officer.

### **ADDITIONAL OBLIGATIONS FOR EMPLOYEES WITH FINANCIAL REPORTING RESPONSIBILITIES**

#### **General**

As a public company it is of critical importance that Diodes' filings with the Securities and Exchange Commission be accurate, complete, understandable and timely. Depending on their position with Diodes, employees, officers and directors may be called upon to provide information to assure that the Company's (and any of its affiliates') public reports are accurate, complete and understandable. Diodes expects all of its personnel to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

The Finance Department bears a special responsibility for promoting integrity throughout the organization, with responsibilities to stakeholders both inside and outside of the Diodes. The Chief Executive Officer and Finance Department personnel have a special role both to adhere to these principles themselves and also to ensure that a culture exists throughout the Company and its affiliates as a whole that ensures the fair and timely reporting of Diodes' financial results and condition.

Because of this special role, the following Financial Officer Code of Ethics binds the Chief Executive Officer and all members of Diodes' Finance Department, and each agrees that he or she will:

- promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company;
- act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships;
- become familiar with the disclosure requirements applicable to the Company as well as the business and financial operations of the Company;
- provide a system for the careful review of all such reports, documents and communications;
- adequately supervise the preparation of the financial disclosure in the periodic reports required to be filed by the Company, including reviewing and analyzing the financial information to be disclosed;
- consult, when appropriate, with professional advisors for advice with respect to such reports, documents and communications; and
- comply with rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies.

### **Compliance**

Each Finance Department employee shall promote compliance with applicable governmental laws, rules and regulations (including insider trading and anti-corruption and bribery laws) by, among other things:

- becoming familiar with such laws, rules and regulations;
- consulting professional advisors with respect to such laws, rules and regulations; and
- training applicable employees with respect to such laws, rules and regulations.

### **Prompt Internal Reporting**

Each Finance Department employee shall promote prompt internal reporting of violations of this Code to the Chairman of the Board of Directors of the Company or the Chairman of the Audit Committee of the Board of Directors of the Company (each, a "Compliance Officer")<sup>1</sup> by, among other things:

- reporting all violations to a Compliance Officer;
- encouraging Finance Department employees to report violations to a Compliance Officer; and
- providing a procedure by which Finance Department employees may maintain anonymity in making such reports.

### **Accountability**

The Chief Executive Officer and each Finance Department employee shall promote accountability for adherence to this Code by, among other things:

- publishing copies of this Code annually for all employees through the Company's website; and
- supporting appropriate sanctions for violations of this Code.

### **Waiver**

If the Company approves any material departure from the provisions of this Code applicable to the Chief Executive Officer or the Finance Department Employees, or if the Company fails to take action within a reasonable period of time regarding a material departure from any such provision of this Code, the Company shall, within five business days of such event, report such event on a Form 8-K or post notice thereof to its website. Any such waiver of the Code requires the approval of the Board of Directors.

### **Amendment**

Any amendment to the provision of this Code applicable to the Chief Executive Officer or the Finance Department Employees must be approved by the Board of Directors of the Company, and the Company shall, within five business days of such amendment (other than a technical, administrative or other non-substantive amendment), report such amendment on a Form 8-K or disclose such amendment on the Company's website.

### **FAILURE TO COMPLY WITH THIS CODE**

Failure to comply with this Code by any officer, director or employee may subject that person to disciplinary action, which may include warning, reprimand, probation, reduction in compensation, demotion, suspension and/or dismissal.

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<sup>1</sup> A matter should not be reported to a person involved in the matter

**CERTIFICATION**

I have read the Code of Business Conduct Policy (the "Policy") and undertake to comply with its provisions. Except as disclosed below, I have never participated in, and am not aware of, any violation of the Policy. Should I ever obtain information giving me reason to believe that any employee, officer or director of Diodes Incorporated (the "Company") may have engaged in conduct that violates the Policy, I undertake to report that information promptly to my immediate supervisor, the Human Resources manager, the Internal Audit Manager or in house legal department. Employees who wish to maintain anonymity and report any actual or potential violation of this Policy, please call the Network, Inc. at the phone number below. The Network, Inc. is not staffed by personnel affiliated with the Company and is the independent hotline service retained by the Company to handle any anonymous compliance complaint calls.

<u>Location</u>	<u>First Stage Phone Number<sup>2</sup></u>	<u>Second Stage Phone Number<sup>2</sup></u>
United States	Not Applicable	855-316-2192
United Kingdom	0-800-89-0011	855-316-2192
United Kingdom	0-500-89-0011	855-316-2192
United Kingdom	0-800-013-0011	855-316-2192

I have engaged in or observed the following incidents of non-compliance:

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\_\_\_\_\_

\_\_\_\_\_

None

Date: \_\_\_\_\_

Signature \_\_\_\_\_

Name Printed \_\_\_\_\_

Title \_\_\_\_\_

Office/Location \_\_\_\_\_

<sup>2</sup>Please call the first stage telephone number, after connecting, please follow the voice instruction to dial the second stage phone number. United States calls only dial the second stage phone number.