
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 21, 2015

DIODES INCORPORATED

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

002-25577
(Commission
File Number)

95-2039518
(IRS Employer
Identification No.)

**4949 Hedgcoxe Road, Suite 200,
Plano, TX**
(Address of Principal Executive Offices)

75024
(Zip Code)

Registrant's Telephone Number, Including Area Code: (972) 987-3900

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 21, 2015, Diodes Incorporated (the "Company") entered into an employment agreement (the "Agreement") with Dr. Keh-Shew Lu, President and Chief Executive Officer of the Company (the "Employee"), pursuant to which he will continue to be employed by the Company in such positions. The term of the Agreement shall commence on July 21, 2015 and shall end on May 31, 2022, unless sooner terminated as provided in the Agreement or due to Employee's death. Employment is "at will" and may be terminated by either the Company or the Employee at any time.

Under the Agreement, the Employee is entitled to:

- (i) receive an annual base salary of \$623,000 (subject to increase in the discretion of the Company's Board of Directors),
- (ii) receive grants of stock units with respect to Common Stock of the Company in an aggregate amount of up to 700,000 stock units on terms and conditions set forth in the Stock Unit Agreement attached to this Report as Exhibit 99.3 and described below,
- (iii) participate in any executive bonus plan of the Company and maintain continued eligibility for additional equity compensation grants,
- (iv) receive reimbursement for all reasonable and documented business expenses,
- (v) receive paid vacation in accordance with the Company's vacation policy for employees,
- (vi) participate in all plans and programs sponsored by the Company for employees in general,
- (vii) receive a life insurance policy with a death benefit in the amount in effect on the date of the Agreement (\$700,000), and
- (viii) receive a disability insurance policy in the maximum insurable amount.

The Employee is prohibited from disclosing trade secrets of the Company, engaging in any "Competitive Activity" (as defined) or soliciting current or, in some cases, former employees or independent contractors of the Company, during his employment and for the two years thereafter.

In the event that the Employee's employment by the Company is terminated (a) by the Company for "cause" (as defined), or (b) by the Employee other than for "good reason" (as defined), or (c) due to Employee's death, neither the Company nor the Employee shall have any remaining duties or obligations under the Agreement, except that:

- (a) the Company shall promptly pay or provide to the Employee, or his estate, the annual base salary, prorated through the date of termination,
- (b) the Company shall pay to the Employee, or his estate, any amount payable under an executive bonus plan for the fiscal year in which such termination occurs, prorated to the date of the termination,
- (c) all stock-based compensation previously granted to the Employee shall continue to be governed by the applicable award agreement, and
- (d) the Employee shall continue to be bound by the restrictions on the use of trade secrets, "competitive activities" and solicitation of employees and independent contractors described above.

In the event that the Employee's employment by the Company is terminated by (a) the Company other than for "cause" including a termination by the Company due to Employee's "Disability" (as defined), or (b) the Employee for "good reason", neither the Company nor the Employee shall have any remaining duties or obligations under the Agreement, except that:

- (1) clauses (a) through (d) in the preceding paragraph shall each be applicable,
- (2) the Company shall continue to pay or provide to the Employee, or his estate, the annual base salary during the period commencing on the 60th day after the effective date of such termination and ending on the first anniversary of such effective date, and
- (3) the Company shall provide to the Employee continued participation in any group health plan or medical reimbursement plan on the terms existing on the date of termination for the period commencing on the effective date of such termination and ending on the earlier of 18 months thereafter or the date that the Company is otherwise unable to continue to cover Employee under its group health plans without penalty under applicable law.

The benefits provided to Employee under clauses (2) and (3) are conditioned upon Employee entering into a separation agreement which includes a release of all claims against the Company.

The Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and any guidance promulgated thereunder ("Section 409A"), and shall in all respects be administered in accordance with Section 409A. In addition, the Company and the Employee continue to abide by the Indemnification Agreement dated September 20, 2000 that may require the Company to indemnify the Employee against liabilities that may arise by reason of his status or service with the Company.

Additionally, on July 21, 2015, the Company and the Employee also entered into a Stock Unit Agreement that provides for the grant of unvested stock units to Employee as follows:

- (x) the Company granted to Employee 150,000 stock units on July 21, 2015, and, subject to Employee's continued employment, will grant to Employee 250,000 stock units on July 1, 2016, 250,000 stock units on July 1, 2017, and 50,000 stock units on July 1, 2018, with such future grant amounts subject to proportionate adjustment in the event of a common stock split or similar event, and
- (y) a stock unit can only become vested upon satisfaction of two separate vesting conditions: a service-based vesting requirement and a performance-based vesting requirement.

Each stock unit that becomes vested will be exchanged for a Company common share upon vesting. Stock units that never become vested will be forfeited.

Under the Stock Unit Agreement, a "Qualifying Termination" occurs if Employee's employment by the Company is terminated by the Company other than for "cause" (as defined) or by Employee for "good reason" (as defined) or due to Employee's death or "Disability" (as defined).

The service-based vesting requirement will be satisfied in installments of 100,000 stock units per year beginning in July 1, 2016 and in each of the six subsequent years so long as the Employee continues to render service to the Company. The performance-based vesting requirement shall be satisfied upon the achievement of a specified amount of gross profit for the Company ("Goal Gross Profit"). Upon a Qualifying Termination or upon a change of control (as defined), all outstanding stock units will then become service-based vested.

Upon either a Qualifying Termination or a change of control (as defined) that occurs before attainment of the Goal Gross Profit, the number of then outstanding stock units shall be multiplied by the Pro-Rata Performance Percentage (as defined and which measures the relative degree of achievement of the Goal Gross Profit performance objective) to determine how many (if any) outstanding stock units will then become performance-based vested.

Upon either a Qualifying Termination or a change of control that occurs on or after the attainment of the Goal Gross Profit performance objective then all outstanding stock units shall then become performance-based vested and any stock units that were scheduled to be granted later in that fiscal year shall then be granted to Employee as fully vested stock units.

Upon the termination of the Employee's service at any time due to resignation without good reason or termination by the Company for cause, then no further grants of stock units shall be issued and all outstanding stock units shall be forfeited.

The foregoing summary is qualified in its entirety by reference to the copies of the Agreement, the Indemnification Agreement and the Stock Unit Agreement attached as exhibits to this Report.

Item 8.01. Other Events.

On July 24, 2015, the Company issued a press release announcing the celebration ceremony pertaining to the commencement of mass production at its assembly and test facility in Chengdu, People's Republic of China. A copy of the press release is attached to this Report as Exhibit 99.4.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

Number Description

99.1	Employment Agreement dated as of July 21, 2015, between the Company and Keh-Shew Lu
99.2	Indemnification Agreement dated as of September 20, 2000, between the Company and Keh-Shew Lu
99.3*	Stock Unit Agreement dated as of July 21, 2015, between the Company and Keh-Shew Lu
99.4	Press Release dated July 24, 2015

*Confidential treatment has been requested with respect to the omitted portion of this Exhibit, which portion has been filed separately with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DIODES INCORPORATED

Dated: July 27, 2015

By /s/ Richard D. White
RICHARD D. WHITE
Chief Financial Officer

EXHIBIT INDEX

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EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and effective as of the 21st day of July, 2015, by and between Diodes Incorporated, a Delaware corporation (the "Company"), and Dr. Keh-Shew Lu (the "Employee"), with respect to the following facts:

The Company desires to be assured of the continued association and services of the Employee in order to take advantage of his experience, knowledge and abilities in the Company's business, and is willing to employ the Employee, and the Employee desires to be so employed, on the terms and conditions set forth in this Agreement.

ACCORDINGLY, on the basis of the representations, warranties and covenants contained herein, the parties hereto agree as follows:

1. EMPLOYMENT

1.1 Employment. The Company hereby continues to employ the Employee as its President and Chief Executive Officer (or such other executive officer position designated by the Company's Board of Directors and to which Executive expressly consents in writing), and the Employee hereby accepts such employment, on the terms and conditions set forth below, to perform during the term of this Agreement such services as are required hereunder.

1.2 Duties. The Employee shall render such services to the Company, and shall perform such executive duties and acts, as reasonably may be required by the Company's Board of Directors in connection with any aspect of the Company's business.

1.3 Performance of Duties.

(a) The Employee shall devote such reasonable time, ability and attention during normal business hours to his duties hereunder as may be necessary to discharge such duties in a professional and businesslike manner.

(b) The Employee's services hereunder shall be performed primarily at the location at which the Employee was employed immediately before the date of this Agreement or at any other location selected by the Company as its principal executive offices not more than 30 miles from such location.

1.4 Indemnification. The Company shall, to the maximum extent permitted by applicable law, indemnify, defend and hold harmless the Employee from, against and in respect of any and all payments, damages, claims, demands, losses, expenses, costs, obligations and liabilities (including, but not limited to, attorney's fees and costs and the costs of investigation and preparation) which, directly or indirectly, arise or result from or are related to the fact that the Employee is or was an employee, officer, director or agent of the Company. By way of evidencing such obligation and not limitation, the Company and the Employee have previously entered into an indemnification agreement, a copy of which is attached hereto as Exhibit A.

1.5 Trade Secrets. The Employee shall not, without the prior written consent of the Company's Board of Directors, disclose or use in any way, either during his employment by the Company or thereafter, except as required in the course of such employment, any confidential business or technical information or trade secret of the Company acquired in the course of such employment, whether or not patentable, copyrightable or otherwise protected by law, and whether or not conceived of or prepared by him (collectively, the "Trade Secrets"), including, without limitation, any confidential information concerning customer lists, products, procedures, operations, investments, financing, costs, employees, purchasing, accounting, marketing, merchandising, sales, salaries, pricing, profits and plans for future development, the identity, requirements, preferences, practices and methods of doing business of specific parties with whom the Company transacts business, and all other information which is related to any product, service or business of the Company, other than information which is (or becomes, other than as a result of the breach hereof by the Employee or any other employee of the Company) generally known in the industry in which the Company transacts business or is or may be acquired from public sources; all of which Trade Secrets are the exclusive and valuable property of the Company.

1.6 Noncompetition.

(a) As used in this Agreement, the term "Competitive Activity" shall mean any participation in, assistance of, employment by, ownership of any interest in, acceptance of business from or assistance, promotion or organization of any person, partnership, corporation, firm, association or other business organization, entity or enterprise which, directly or indirectly, is engaged in, or hereinafter engages in, the development, production, marketing or selling of any product which is the same as or in competition with any line of business in which the Company is engaged, whether as an agent, consultant, employee, officer, director, investor, partner, shareholder, proprietor or in any other individual or representative capacity, but excluding the holding for investment of less than five percent (5%) of the outstanding securities of any corporation which are regularly traded on a recognized stock exchange. Competitive Activity shall not be deemed to include personal investment activities (including venture capital) of the Employee.

(b) During his employment by the Company and for two (2) years thereafter, the Employee shall refrain, without the prior written consent of the Company in each instance, from engaging in any Competitive Activity which would be reasonably likely, as determined by the Company in its reasonable discretion, to result in the disclosure or use of any Trade Secrets.

1.7 Tangible Items. All files, accounts, records, documents, books, forms, notes, reports, memoranda, studies, compilations of information, correspondence and all copies, abstracts and summaries of the foregoing, and all other physical items related to the Company, other than a merely personal item, whether of a public nature or not, and whether prepared by the Employee or not, are and shall remain the exclusive property of the Company and shall not be removed from the premises of the Company, except as required in the course of employment by the Company, without the prior written consent of the Company's Board of Directors in each instance, and upon the request of the Company the same shall be promptly returned to the Company by the Employee on the expiration or termination of his employment by the Company or at any time prior thereto upon the request of the Company.

1.8 Solicitation of Employees. During his employment by the Company and for two (2) years thereafter, the Employee shall not, directly or indirectly, either for his own benefit or purposes or the benefit or purposes of any other person, employ or offer to employ, call on, solicit, interfere with or attempt to divert or entice away any employee or independent contractor of the Company (or any person whose employment or status as an independent contractor has terminated within the six (6) months preceding the date of such solicitation) in any capacity if that person possesses or has knowledge of any Trade Secrets of the Company.

1.9 Injunctive Relief. The Employee hereby acknowledges and agrees that it would be difficult to fully compensate the Company for damages resulting from the breach or threatened breach of Sections 1.5, 1.6, 1.7 or 1.8 and, accordingly, that the Company shall be entitled to temporary and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, to enforce such provisions. This provision with respect to injunctive relief shall not, however, diminish the Company's right to claim and recover damages.

2. COMPENSATION

2.1 Compensation. As the total consideration for the services which the Employee renders hereunder, the Employee shall be entitled to the following:

(i) an annual base salary of \$623,000.00, subject to such periodic increases, if any, as the Board of Directors may determine, less any applicable deduction therefrom for income tax or other applicable withholdings, payable in accordance with the Company's standard practices and procedures;

(ii) grants of stock units with respect to Company common shares as follows:

150,000 stock units on July 21, 2015;

250,000 stock units on July 1, 2016;

250,000 stock units on July 1, 2017;

50,000 stock units on July 1, 2018;

such that a maximum total of 700,000 stock units in the aggregate could potentially be granted (with all of the foregoing numbers subject to proportionate adjustment by the Company in the event of a Company common stock split or similar event), in each case on the terms and conditions set forth in the form of Stock Unit Agreement attached hereto as Exhibit B and which Employee must timely execute as a condition of grant;

(iii) participation in any executive bonus plan sponsored by the Company and continued eligibility for additional equity compensation grants as determined by the Company's Board of Directors or its compensation committee;

(iv) prompt reimbursement of any and all reasonable and documented expenses (including, but not limited to, air fare, car rental, lodging, meals, business telephone and related travel expenses) incurred by the Employee from time to time in the performance of his duties hereunder, which reimbursement shall be made in accordance with the Company's policies and procedures as the same may be amended from time to time;

(v) such paid vacation as may be provided in accordance with the vacation policy of the Company applicable to employees in general, as the same may be amended from time to time;

(vi) participation in all plans or programs sponsored by the Company for employees in general, including, but not limited to, participation in any group health plan, medical reimbursement plan, life insurance plan, pension and profit sharing plan, or stock option plan;

(vii) a life insurance policy with a death benefit in an amount equal to that existing on the date of this Agreement, payable as directed by the Employee; and

(viii) a disability insurance policy in the maximum insurable amount as defined by the policy.

2.2 Illness. Subject to the limitations contained in Section 3.2(a)(iii) and 3.3(a) of this Agreement, if the Employee shall be unable to render the services required hereunder on account of personal injuries or physical or mental illness, he shall continue to receive all payments provided in this Agreement; provided, however, that any such payment may, at the sole option of the Company, be reduced by any amount that the Employee receives for the period covered by such payments as disability compensation under insurance policies, if any, maintained by the Company or under government programs.

3. TERM AND TERMINATION

3.1 Term. Unless sooner terminated pursuant to Section 3.2 or due to Employee's death, the term of the Employee's employment by the Company under Section 1.1 shall commence on the date hereof and shall end on May 31, 2022 (the "Term").

3.2 At Will Relationship.

(a) The Employee and the Company each hereby acknowledges and agrees that, except as expressly set forth in Section 3.3, (i) the Employee's relationship with the Company under this Agreement is AT WILL and can be terminated at the option of either the Employee or the Company in his or its sole and absolute discretion, for any or no reason whatsoever, with or without cause, (ii) no representations, warranties or assurances have been made concerning the length of such relationship or the aggregate amount of compensation to be received by the Employee and (iii) after the termination of his employment by the Company, the Employee shall have no right, title or interest in or claim to any revenues received by the Company from any person for any goods sold or services rendered by the Company to such person, whether or not the Employee was the cause, in whole or in part, for such person to purchase such goods from the Company or to retain the Company to perform such services.

(b) The term "cause" shall mean:

(i) the willful and continued refusal of the Employee to substantially perform his duties in accordance with this Agreement (other than any such failure resulting from incapacity due to physical or mental illness), insubordination, or material violation of the Company's policies, in each case after a written demand for substantial performance is delivered to the Employee by the Board of Directors of the Company which specifically identifies the manner in which the Board of Directors believes that the Employee has not substantially performed such duties, the acts constituting such insubordination, or such violations of the Company's policies, as the case may be, and the Employee shall have had a reasonable opportunity to remedy the same; or

(ii) the conviction of, or a plea of nolo contendere by, the Employee to a felony; or

(iii) a charge or indictment of a felony, the defense of which renders the Employee substantially unable to perform his duties under this Agreement.

For purposes of this provision, no act or failure to act, on the part of the Employee, shall be considered "willful" unless it is done, or omitted to be done, by the Employee in bad faith or without reasonable belief that such action or omission was in the best interests of the Company. Any act or failure to act, based upon authority given pursuant to a resolution of the Board of Directors or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. The cessation of employment of the Employee shall not be deemed to be for cause unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than a majority of all members of the Board of Directors at a meeting of the Board of Directors called and held for such purpose (after reasonable notice is provided to the Employee and the Employee is given an opportunity, together with counsel, to be heard before the Board of Directors), finding that, in the good faith opinion of the Board of Directors, the Employee is guilty of the conduct described in subparagraph (i), (ii), or (iii) above, and specifying the particulars thereof in detail.

(c) Each of the following will constitute "good reason" for purposes of this Agreement, unless otherwise agreed to in writing by Employee:

(i) a material diminution in Employee's base salary;

(ii) a material diminution in Employee's authority, duties or responsibilities as contemplated by Sections 1.2 and 1.3 of this Agreement;

(iii) a material change in the geographic location at which Employee must perform services; or

(iv) any other action or inaction that constitutes a material breach by the Company of this Agreement.

For purposes of this provision, with respect to clauses (i) through (iv) above, "good reason" shall not exist unless Employee has notified the Company within thirty (30) days of the initial existence of the actions or failures to act giving rise to good reason, and such actions or failures have not been cured or remedied by the Company within thirty (30) days of the receipt of such notice. Notwithstanding any provision in this Agreement to the contrary, any termination by Employee for good reason under clauses (i) through (iv) above must occur within thirty (30) days following the date on which Employee provides the Company with the "Termination Notice" described under Section 3.2(d) below and such Termination Notice must be provided to the Company within 60 days after the foregoing cure/remedy has expired without cure or remedy by the Company.

(d) Any termination by the Company for cause, or by the Employee for good reason, shall be communicated by a written notice (the "Termination Notice") to the other party given in accordance with Section 4.6 of this Agreement, which notice shall (i) indicate the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated and (iii) if the date of termination is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than thirty (30) days after the giving of such notice). The failure by the Employee or the Company to set forth in the Termination Notice any factor or circumstance which contributes to a showing of good reason or cause shall not waive any right of the Employee or the Company, respectively, hereunder or preclude the Employee or the Company, respectively, from asserting such fact or circumstance in enforcing the Employee's or the Company's rights hereunder.

3.3 Duties Upon Termination.

(a) In the event that the Employee's employment by the Company under this Agreement is terminated by (a) the Company other than for "cause" (as defined above) which includes a termination by the Company due to Employee's "Disability" (as defined in the Company's 2013 Equity Incentive Plan), or (b) the Employee for "good reason" (as defined above), neither the Company nor the Employee shall have any remaining duties or obligations hereunder, except that (i) the Company shall promptly pay or provide to the Employee, or his estate, the amount specified in Section 2.1(i), prorated through the date of termination, (ii) subject to Section 3.6, the Company shall continue to pay or provide (in accordance with the payment practices of Section 2.1(i)) to the Employee or his estate, the amount specified in Section 2.1(i) during the period commencing on the 60th day after the effective date of such termination (provided that such first installment shall be in an aggregate amount that would otherwise have been provided to Employee under Section 2.1(i) for such 60 day period) and ending on the first anniversary of such effective date, (iii) the Company shall pay to the Employee, or his estate, the amount specified in Section 2.1(iii) for the fiscal year in which such termination occurs, prorated to the date of the termination, (iv) subject to Section 3.6, the Company shall provide to the Employee continued participation in any group health plan or medical reimbursement plan on the terms existing on the date of termination for the period commencing on the effective date of such termination and ending on the earlier of 18 months thereafter or the date that the Company is otherwise unable to continue to cover Employee under its group health plans without penalty under applicable law (including without limitation, Section 2716 of the Public Health Service Act or the Patient Protection and Affordable Care Act), (v) all stock-based compensation previously granted to the Employee (including, but not limited to, all stock options, stock appreciation rights, stock units, bonus units and stock grants) shall continue to be governed by the applicable award agreement, and (vi) the Employee shall continue to be bound by Sections 1.5, 1.6, 1.7 and 1.8.

(b) In the event that the Employee's employment by the Company under this Agreement is terminated (a) by the Company for "cause" or (b) by the Employee other than for "good reason" or (c) due to Employee's death, neither the Company nor the Employee shall have any remaining duties or obligations hereunder except that (i) the Company shall promptly pay or provide to the Employee, or his estate, the amount specified in Section 2.1(i), prorated through the date of termination, (ii) the Company shall pay to the Employee, or his estate, the amount specified in Section 2.1(iii) for the fiscal year in which such termination occurs, prorated to the date of the termination, (iii) all stock-based compensation previously granted to the Employee (including, but not limited to, all stock options, stock appreciation rights, stock units, bonus units and stock grants) shall continue to be governed by the applicable award agreement, and (iv) the Employee shall continue to be bound by Sections 1.5, 1.6, 1.7 and 1.8.

3.4 Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Employee's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies and for which the Employee may qualify, nor shall anything herein limit or otherwise affect such rights as the Employee may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Employee otherwise is entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the date of termination shall be payable in accordance with such plan, policy, practice, program, contract or agreement except as explicitly modified by this Agreement.

3.5 Full Settlement. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Employee or others; provided, however, that in the event the Employee shall obtain employment within one year from the date of termination, any amount payable by the Company to the Employee under Section

3.3(a)(i) shall be reduced by any amount received by the Employee during such one year in connection with such other employment. In no event shall the Employee be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Employee under any provision of this Agreement.

3.6 Separation Agreement. The Company's obligation to provide the payments and benefits enumerated in Sections 3.3(a)(ii) and 3.3(a)(iv) is expressly conditioned upon the Employee's timely execution, delivery to the Company, and non-revocation of (and Employee's continuing compliance with) a separation agreement (which shall include without limitation a release by Employee of all of his claims against the Company and its affiliates) in a form prescribed by the Company (the "Separation Agreement"). The Separation Agreement must be executed by Employee and delivered to the Company and become irrevocable by its own terms within no more than fifty-five (55) days after the date of termination of Employee's employment with the Company.

4. MISCELLANEOUS

4.1 Severable Provisions. The provisions of this Agreement are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions, and any partially unenforceable provisions to the extent enforceable, shall nevertheless be binding and enforceable.

4.2 Successors and Assigns.

(a) All of the terms, provisions and obligations of this Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, representatives, successors and assigns. Notwithstanding the foregoing, this Agreement is personal to the Employee, and neither this Agreement nor any rights hereunder shall be assigned, pledged, hypothecated or otherwise transferred by the Employee (other than by will or the laws of descent and distribution) without the prior written consent of the Company in each instance.

(b) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

4.3 Governing Law. The validity, construction and interpretation of this Agreement shall be governed in all respects by the laws of the State of Texas applicable to contracts made and to be performed wholly within that State.

4.4 Headings. Section and subsection headings are not to be considered part of this Agreement and are included solely for convenience and reference and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof.

4.5 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, relating to the subject matter of this Agreement including without limitation the September 22, 2009 employment agreement entered into by and between the Employee and the Company. No supplement, modification, waiver or termination of this Agreement shall be valid unless executed by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

4.6 Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given (i) if personally delivered, when so delivered, (ii) if mailed, one (1) week after having been placed in the United States mail, registered or certified, postage prepaid, addressed to the party to whom it is directed at the address set forth below or (iii) if given by e-mail or telecopier, when such notice or other communication is transmitted to the e-mail or telecopier number specified below and the appropriate answerback or telephonic confirmation is received. Either party may change the address to which such notices are to be addressed by giving the other party notice in the manner herein set forth.

4.7 Mediation. The parties agree to mediate any dispute or claim between them arising out of this Agreement before resorting to court action. The mediation fees, if any, shall be divided equally between the parties, and each side shall bear their own attorney's fees.

4.8 Attorneys' Fees. In the event any party takes legal action to enforce any of the terms of this Agreement, the unsuccessful party to such action shall pay the successful party's expenses, including attorneys' fees and expenses, incurred in such action.

4.9 Third Parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any person other than the Company or the Employee any rights or remedies under or by reason of this Agreement.

4.10 Costs. The Company shall reimburse the Employee promptly upon demand for all reasonable attorney's fees and costs incurred by him in connection with the preparation and negotiation of this Agreement. Any such payment to Employee shall be made in 2015.

4.11 Termination of Prior Agreements. The rights and obligations of the Company and the Employee, if any, under any and all prior agreements (other than Employee's stock-based award agreements (including without limitation his September 22, 2009 stock award agreement) which shall each continue to be governed by their terms and conditions), understandings and arrangements in respect of the Employee's employment by the Company ("Prior Agreements") hereby are terminated effective as of the date hereof. From and after the date hereof, neither the Company nor the Employee shall have any further rights or obligations whatsoever under the Prior Agreements.

4.12 Consent to Jurisdiction. Each party hereto, to the fullest extent it may effectively do so under applicable law, irrevocably (i) submits to the exclusive jurisdiction of any court of the State of Texas or the United States of America sitting in the City of Dallas over any suit, action or proceeding arising out of or relating to this Agreement, (ii) waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the establishment of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum, (iii) agrees that a judgment in any such suit, action or proceeding brought in any such court shall be conclusive and binding upon such party and may be enforced in the courts of the United States of America or the State of Texas (or any other courts to the jurisdiction of which such party is or may be subject) by a suit upon such judgment and (iv) consents to process being served in any such suit, action or proceeding by mailing a copy thereof by registered or certified air mail, postage prepaid, return receipt requested, to the address of such party specified in or designated pursuant to Section 4.6. Each party agrees that such service (i) shall be deemed in every respect effective service of process upon such party in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to such party.

4.13 Construction. This Agreement was reviewed by legal counsel for each party hereto and is the product of informed negotiations between the parties hereto. If any part of this Agreement is deemed to be unclear or ambiguous, it shall be construed as if it were drafted jointly by the parties. Each party hereto acknowledges that no party was in a superior bargaining position regarding the substantive terms of this Agreement.

4.14 Section 409A.

(a) This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and any guidance promulgated thereunder ("Section 409A"), and shall in all respects be administered in accordance with Section 409A.

(b) The parties agree that if any payment or the provision of any amount, benefit or entitlement hereunder at the time specified in this Agreement would subject Employee to any additional tax or interest or penalties under Section 409A, the payment or provision of such amount, benefit or entitlement shall be postponed to the earliest commencement date on which the payment or the provision of such amount, benefit or entitlement could be made without incurring such additional tax, interest or penalties (including delaying payment of any severance to the earliest possible payment date which is consistent with Section 409A). In addition, to the extent that any regulations or guidance issued under Section 409A (after application of the previous provision of this paragraph) would result in Employee being subject to the payment of interest, penalties or any additional tax under Section 409A, the Company and Employee agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest, penalties or additional tax under Section 409A, which amendment shall be reasonably determined in good faith by the Company and Employee.

(c) Notwithstanding any provision in this Agreement to the contrary, all payments not otherwise exempt from Section 409A which are to be made after a termination of employment under this Agreement may only be made after Employee experiences a "separation from service" as such term is defined under Section 409A. All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during Employee's lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(d) If upon Employee's "separation from service" from the Company, Employee is then a "specified employee" (as defined by and determined in accordance with Section 409A), then solely to the extent necessary to comply with Section 409A and avoid the imposition of taxes under Section 409A, the Company shall defer payment of "nonqualified deferred compensation," subject to Section 409A, which is payable as a result of and would otherwise be paid within six (6) months following such separation from service, until the earlier of (a) the first business day of the seventh month after Employee's separation from service, or (b) ten (10) days after the Company receives written notice of Employee's death. All

such delayed payments shall be paid in a lump sum without accrual of interest. To the extent permissible by law, each payment and each installment described in this Agreement shall be considered a separate payment from each other payment or installment for purposes of Section 409A.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first set forth above.

Company:

DIODES INCORPORATED

By: /S/ Richard D White
Authorized Representative
4949 Hedgcoxe Road Suite 200 Plano TX 75024
Attention: Richard D. White

Employee:

By: /S/ Keh-Shew Lu
Keh-Shew Lu

EXHIBIT A

INDEMNIFICATION AGREEMENT

DIODES INCORPORATED

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is entered into and made effective on September 20, 2000, by and between Diodes, Inc., a Delaware corporation (the "Company"), and Keh-Shew Lu ("Indemnitee").

A. It is essential to the Company to retain and attract as directors and officers the most capable persons available.

B. Indemnitee is a director and/or officer of the Company.

C. Both the Company and Indemnitee recognize the increased risk of litigation and other claims currently being asserted against directors and officers of corporations.

D. In recognition of Indemnitee's need for substantial protection against personal liability based on an inducement to provide effective services to the Company as a director and/or officer, the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the fullest extent (whether partial or complete) permitted under Delaware law and as set forth in this Agreement, and, to the extent insurance is maintained, to provide for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the above premises, the representations, warranties and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Definitions.

1.1. "Board" means the Board of Directors of the Company.

1.2. "Affiliate" means any corporation or other person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the party specified.

1.3. "Expenses" means any expense, liability, or loss, including attorneys' fees, judgments, fines, ERISA excise taxes and penalties, amounts paid or to be paid in settlement, any interest, assessments, or other charges imposed thereon, any federal, state, local, or foreign taxes imposed as a result of the actual or deemed receipt of any payments under this Agreement, and all other costs and obligations, paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal), or preparing for any of the foregoing in, any Proceeding relating to any Indemnifiable Event.

1.4. "Indemnifiable Event" means any event or occurrence that takes place either prior to or after the execution of this Agreement, related to the fact that Indemnitee is or was a director or officer of the Company, or while a director or officer is or was serving at the request of the Company as a director, officer, employee, trustee, agent, or fiduciary of another foreign or domestic corporation, partnership, joint venture, employee benefit plan, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the Company or of another enterprise at the request of such predecessor corporation, or related to anything done or not done by Indemnitee in any such capacity, whether or not the basis of the Proceeding is alleged action in an official capacity as a director, officer, employee, or agent or in any other capacity while serving as a director, officer, employee, or agent of the Company, as described above.

1.5. "Proceeding" means any threatened, pending, or completed action, suit, or proceeding (including an action by or in the right of the Company), or any inquiry, hearing, or investigation, whether conducted by the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit, or proceeding, whether civil, criminal, administrative, investigative, or other.

1.6. "Reviewing Party" means the person or body appointed in accordance with Section 3.

2. Indemnification.

2.1. By the Company. In the event Indemnitee was, is, or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Proceeding by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify Indemnitee from and against any and all Expenses to the fullest extent permitted by law, as the same exists or may hereafter be amended or interpreted (but in the case of any such amendment or interpretation, only to the extent that such amendment or interpretation permits the Company to provide broader indemnification rights than were permitted prior thereto). The parties hereto intend that this Agreement shall provide for indemnification in excess of that expressly

permitted by statute, including, without limitation, any indemnification provided by the Company's Certificate of Incorporation, its Bylaws, vote of its shareholders or disinterested directors, or applicable law.

2.2. Initiation of Proceeding. Notwithstanding anything in this Agreement to the contrary, Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Proceeding initiated by Indemnitee against the Company or any director or officer of the Company unless (a) the Company has joined in or the Board has consented to the initiation of such Proceeding; or (b) the Proceeding is one to enforce, assert or interpret Indemnitee's rights under this Agreement.

2.3. Expense Advances. If so requested by Indemnitee, the Company shall advance (within ten (10) business days of such request) any and all Expenses to Indemnitee (an "Expense Advance"); provided that, (a) such an Expense Advance shall be made only upon delivery to the Company of a written undertaking by or on behalf of Indemnitee to repay the amount thereof if it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company, and (b) if and to the extent that the Reviewing Party determines that Indemnitee would not be permitted to be so indemnified under applicable law, the Company will be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company under such circumstances) for all such amounts theretofore paid. If Indemnitee has commenced or commences legal proceedings in accordance with Section 13 to secure a determination that Indemnitee should be indemnified under applicable law as provided in Section 4, any determination made by the Reviewing Party that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding, and Indemnitee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or have lapsed). Indemnitee's obligation to reimburse the Company for Expense Advances shall be unsecured and no interest shall be charged thereon.

2.4. Mandatory Indemnification. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any Proceeding relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

2.5. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company shall indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

2.6. Prohibited Indemnification. No indemnification pursuant to this Agreement shall be paid by the Company on account of any Proceeding in which judgment is rendered against Indemnitee for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of any federal, state, or local laws.

3. Reviewing Party. The "Reviewing Party" shall be any appropriate person or body consisting of a member or members of the Board or any other person or body appointed by the Board who is not a party to the particular Proceeding with respect to which Indemnitee is seeking indemnification. The Reviewing Party shall determine all matters concerning the rights of Indemnitee to receive indemnity payments and Expense Advances under this Agreement, any other agreement, under applicable law or the Company's Certificate of Incorporation or Bylaws now or hereafter in effect relating to indemnification for Indemnifiable Events. The Company agrees to pay the reasonable fees of the Reviewing Party and to indemnify fully such the Reviewing Party against any and all expenses (including attorneys' fees), claims, liabilities, loss, and damages arising out of or relating to the Reviewing Party's actions under this Agreement.

4. Indemnification Process and Appeal.

4.1. Indemnification Payment. Indemnitee shall be entitled to indemnification of Expenses, and shall receive payment thereof, from the Company in accordance with this Agreement as soon as practicable after the Company receives Indemnitee's written demand for indemnification (including any supporting documentation that the Company may request), unless the Reviewing Party has given a written opinion to the Company that Indemnitee is not entitled to indemnification under applicable law.

4.2. Suit to Enforce Rights. Regardless of any action by the Reviewing Party, if Indemnitee has not received full indemnification within thirty (30) days after the receipt by the Company of Indemnitee's written demand in accordance with Section 4.1, Indemnitee shall have the right to enforce its indemnification rights under this Agreement by commencing litigation in the state and federal courts located in Ventura County or Los Angeles County, State of California seeking an initial determination by the court or challenging any determination by the Reviewing Party or any aspect thereof. Each of Indemnitee and the Company hereby consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party not challenged by Indemnitee shall be binding on the Company and Indemnitee. The remedy provided for in this Section 4 shall be in addition to any other remedies available to Indemnitee at law or in equity.

4.3. Defense to Indemnification, Burden of Proof, and Presumptions. It shall be a defense to any action brought by Indemnitee against the Company to enforce this Agreement (other than an action brought to enforce a claim for Expenses incurred in defending a Proceeding in advance of its final disposition where the required written undertaking has been tendered to the Company) that it is not permissible under applicable law for the Company to indemnify Indemnitee for the amount claimed. In connection with any such action or any determination by the Reviewing Party or otherwise as to whether Indemnitee is entitled to be indemnified

hereunder, the burden of proving such a defense or determination shall be on the Company. Neither the failure of the Reviewing Party or the Company (including its Board, independent legal counsel, or its stockholders) to have made a determination, prior to the commencement of such action by Indemnitee, that indemnification of Indemnitee is proper under the circumstances because Indemnitee has met the standard of conduct set forth in applicable law, nor an actual determination by the Reviewing Party or Company (including its Board, independent legal counsel, or its stockholders) that Indemnitee had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct. For purposes of this Agreement, the termination of any claim, action, suit, or proceeding, by judgment, order, settlement (whether with or without court approval), conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief, or that a court has determined that indemnification is not permitted by applicable law.

5. Indemnification for Expenses Incurred in Enforcing Rights. The Company shall indemnify Indemnitee against any and all Expenses that are incurred by Indemnitee in connection with any action brought by Indemnitee for:

(a) indemnification or advance payment of Expenses by the Company under this Agreement or any other agreement or under applicable law or the Company's Certificate of Incorporation or Bylaws now or hereafter in effect relating to indemnification for Indemnifiable Events, and/or

(b) recovery under directors' and officers' liability insurance policies maintained by the Company, but only in the event that Indemnitee ultimately is determined to be entitled to such indemnification or insurance recovery, as the case may be. In addition, the Company shall, if so requested by Indemnitee, advance the foregoing Expenses to Indemnitee, subject to and in accordance with Section 2.3.

6. Notification and Defense of Proceeding.

6.1. Notice. Promptly after receipt by Indemnitee of written notice of the commencement of any Proceeding, Indemnitee shall, if a claim in respect thereof is to be made against the Company under this Agreement, notify the Company of the commencement thereof; but the omission so to notify the Company will not relieve the Company from any liability that it may have to Indemnitee, except as provided in Section 6.3.

6.2. Defense. With respect to any Proceeding as to which Indemnitee notifies the Company of the commencement thereof, the Company will be entitled to participate in the Proceeding at its own expense and except as otherwise provided below, to the extent the Company so wishes, it may assume the defense thereof with counsel reasonably satisfactory to Indemnitee. After notice from the Company to Indemnitee of its election to assume the defense of any Proceeding, the Company shall not be liable to Indemnitee under this Agreement or otherwise for any Expenses subsequently incurred by Indemnitee in connection with the defense of such Proceeding other than reasonable costs of investigation or as otherwise provided below. Indemnitee shall have the right to employ legal counsel in such Proceeding, but all Expenses related thereto incurred after notice from the Company of its assumption of the defense shall be at Indemnitee's expense; provided, however, that the Company shall not be entitled to assume the defense of any Proceeding and will bear the Expenses of the Proceeding in the event of the following: (a) Indemnitee has reasonably determined that there may be a conflict of interest between Indemnitee and the Company in the defense of the Proceeding, or (b) the Company shall not in fact have employed counsel to assume the defense of such Proceeding.

6.3. Settlement of Claims. The Company shall not be liable to indemnify Indemnitee under this Agreement or otherwise for any amounts paid in settlement of any Proceeding effected without the Company's written consent, such consent not to be unreasonably withheld. The Company shall not settle any Proceeding in any manner that would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. The Company shall not be liable to indemnify Indemnitee under this Agreement with regard to any judicial award if the Company was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action; the Company's liability hereunder shall not be excused if participation in or the defense of a Proceeding by the Company was barred by this Agreement.

7. Term. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of the Company) and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 5 hereof), whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. The indemnification provided under this Agreement shall continue as to Indemnitee for any action taken or not taken while serving in an indemnified capacity pertaining to an Indemnifiable Event even though he may have ceased to serve in such capacity at the time of any Proceeding.

8. Non-Exclusivity. The rights of Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Company's Certificate of Incorporation, Bylaws, applicable law, or otherwise; provided, however, that this Agreement shall supersede any prior indemnification agreement between the Company and Indemnitee. To the extent that a change in applicable law (whether by statute or judicial decision) permits greater indemnification than would be afforded currently under the Company's Certificate of Incorporation, Bylaws, applicable law or this Agreement, it is the intent of the parties that Indemnitee enjoy by this Agreement the greater benefits so afforded by such change.

9. Liability Insurance. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. The Company shall not be liable under this Agreement to make any payment of Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

10. Subrogation. In the event of payment to Indemnitee by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who hereby agrees to execute all documents and perform all actions requested by the Company that may be appropriate or necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

11. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has otherwise received payment (under any insurance policy, agreement, or otherwise) of the amounts otherwise indemnifiable hereunder.

12. Binding Effect. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation, or otherwise to all or substantially all of the business and/or assets of the Company), assigns, spouses, heirs, and personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

13. Governing Law; Forum. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California without giving effect to its conflict of laws principles. Any action arising out of or relating to this Agreement or the interpretation of this Agreement shall be brought in the state and federal courts located in Ventura County and Los Angeles County, California, and the parties hereby submit to the jurisdiction of such courts. The parties agree that any and all process directly to any of them in any such litigation may be served outside the State of California with the same force and effect as if the service had been made within the State of California and that service of process may be effected in accordance with Section 14 hereof.

14. Notices. Any notice required or permitted to be given by either party under this Agreement shall be in writing and shall be personally delivered, sent by certified or registered U.S. mail, first class postage prepaid, or sent by a nation-wide courier service, to the other party at its address set forth below the signature of such party, or such new address as may from time to time be supplied by the parties hereto in accordance with this Section 14. If personally delivered, notices will be deemed delivered on the date of personal delivery. If mailed, notices will be deemed delivered and effective three (3) business days after deposit in the mail. If delivered by a nation-wide courier service, then notices will be deemed delivered and effective on the date of receipt, but in no event later than two (2) business days after the date of dispatch.

15. Modification. No alteration, amendment, waiver, cancellation or any other change in any term or condition of this Agreement shall be valid or binding on either party unless the same shall have been mutually assented to in writing by both parties.

16. Waiver. The failure of either party to enforce at any time any of the provisions of this Agreement, or the failure to require at any time performance by the other party of any of the provisions of this Agreement, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the right of either party to enforce each and every such provision thereafter. The express waiver by either party of any provision, condition or requirement of this Agreement shall not constitute a waiver of any future obligation to comply with such provision, condition or requirement.

17. Severability. If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

18. Entire Agreement. The terms and conditions of this Agreement, the Exhibits hereto and the agreements referenced herein constitute the entire agreement between the parties and supersede all previous agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter hereof.

19. Captions and Headings. The captions or headings of the Sections of this Agreement are for reference only and are not to be construed in any way as part of this Agreement.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. A party may deliver this Agreement by transmitting a facsimile of this Agreement signed by such party to the other party or parties, which facsimile signature shall be deemed an original.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Indemnification Agreement as of the day first set forth above.

"Company"

Diodes, INC., a Delaware corporation

By: /S/ C.H. Chen

C.H. Chen

Title Vice Chairman

Address: 3050 E. Hillcrest Drive

West Lake Village, CA 91362

"Indemnitee"

By: /S/ Keh-Shew Lu

Keh-Shew Lu

Address:

EXHIBIT B

DIODES INCORPORATED

2013 EQUITY INCENTIVE PLAN

STOCK UNIT AGREEMENT*

Diodes Incorporated, a Delaware corporation, (the “Company”), hereby commits to award Stock Units to the Participant named below. The terms and conditions of the Award are set forth in this cover sheet and in the attached Stock Unit Agreement (together, this “Agreement”) and in the Diodes Incorporated 2013 Equity Incentive Plan as it may be amended from time to time (the “Plan”). This Agreement is the Stock Unit Agreement referenced in Section 2.1(ii) of the employment agreement by and between Participant and the Company, dated July 10, 2015, (the “Employment Agreement”). For purposes of this Agreement, a “Qualifying Termination” occurs on the date of termination of Participant’s employment with the Company due to either (i) a termination by Participant for “good reason” (as defined in the Employment Agreement), (ii) a termination by the Company without “cause” (as defined in the Employment Agreement), (iii) Participant’s death, or (iv) Participant’s Disability. This Award is intended to constitute qualifying performance-based compensation under Code Section 162(m) and will be interpreted and administered in accordance with such intention.

Date of Award: July 21, 2015

Name of Participant (“Participant”, “you”, or “your”): Keh-Shew Lu

Number of Stock Units Potentially to be Awarded: 700,000

Expiration Date: June 1, 2025

Scheduled Dates of Grants: Subject to Participant’s continued Service through each applicable Date of Grant, the following number of Stock Units shall be granted to Participant. Except as set forth below, all Stock Units shall be unvested at the time of grant. A Stock Unit is only considered to be outstanding after its actual Date of Grant. All numbers of Stock Units reflected in this Agreement shall be subject to adjustment by the Company as specified in Section 13.

<u>Scheduled Date of Grant</u>	<u>Number of Stock Units</u>
July 21, 2015	150,000
July 1, 2016	250,000
July 1, 2017	250,000
July 1, 2018	50,000

Vesting Terms:

As of the Date of Award, none of the Stock Units subject to this Agreement are “Vested Stock Units”. Participant will receive a benefit with respect to this Award only to the extent that a Stock Unit becomes a “Vested Stock Unit”. For any Stock Unit to become a “Vested Stock Unit”, two separate vesting conditions must each be satisfied.

Accordingly, in order for a Stock Unit to become a Vested Stock Unit, one vesting condition is that such Stock Unit becomes “Service-Based Vested” (as described below) and the other vesting condition is that it becomes “Performance-Based Vested” (as described below). For avoidance of doubt, Participant will have no rights with respect to compensation under this Award to the extent that Stock Units are not Performance-Based Vested (regardless of the extent to which Stock Units are Service-Based Vested). All outstanding Stock Units that are not Vested Stock Units as of the Expiration Date shall be then forfeited without consideration.

* Confidential treatment has been requested with respect to the omitted portion of this Exhibit, which portion has been filed separately with the Securities and Exchange Commission.

Service-Based Vested Requirement: The Service-Based Vested requirements will be satisfied in installments as to this Award as follows: As long as Participant renders continuous Service, the number of then outstanding Stock Units which are not Service-Based Vested will become incrementally Service-Based Vested on an annual basis in the amounts (and on the dates) shown in the table below.

<u>Date</u>	<u>Incremental Number of Stock Units Granted</u>	<u>Incremental Number of Service-Based Units</u>
July 21, 2015	150,000	
July 1, 2016	250,000	100,000
July 1, 2017	250,000	100,000
July 1, 2018	50,000	100,000
July 1, 2019		100,000
July 1, 2020		100,000
July 1, 2021		100,000
July 1, 2022		100,000
Totals	700,000	700,000

Except as otherwise provided under a Qualifying Termination or Change of Control, no Stock Units (which are not Service-Based Vested) can become Service-Based Vested before the above scheduled dates for Service-Based Vesting. Additionally, except as otherwise provided under a Qualifying Termination, no Stock Units (which are not Service-Based Vested) can become Service-Based Vested after Participant's Service has terminated and any Stock Units that are not Service-Based Vested shall be forfeited without consideration on the Participant's Termination Date. In all cases, the resulting aggregate number of Service-Based Vested Stock Units will be rounded down to the nearest whole number.

Performance-Based Vested Requirement: Provided that the Participant is still then rendering continuous Service, the Performance-Based Vested requirements will be deemed satisfied (if ever) for all outstanding Stock Units as of the third business day after the date that the Company files with the SEC an Annual Report on Form 10-K (or Form 10-K/A) or a Quarterly Report on Form 10-Q (or Form 10-Q/A) which contains financial statements stating that the Company's aggregate gross profit (as determined in accordance with GAAP) for the four most recently completed fiscal quarters equals or exceeds the "Goal Gross Profit" (the date of such satisfaction is the "Performance Goal Attainment"). If before the occurrence of any Performance Goal Attainment, either the Participant experiences a Qualifying Termination or there is a Change of Control, then Stock Units can become Performance-Based Vested based on the Pro-Rata Performance Percentage as set forth below. In all cases, the resulting aggregate number of Performance-Based Vested Stock Units will be rounded down to the nearest whole number. Any grants of Stock Units under this Agreement that are issued after Performance Goal Attainment shall be granted as Performance-Based Vested Stock Units. As of the Date of the Award, the Goal Gross Profit is \$[REDACTED]* million.

For purposes of this Agreement, "Change of Control" shall have the same definition provided to "Change in Control" in the Plan except that in subclause (i) of such Change in Control definition, twenty-five percent (25%) shall be replaced by fifty percent (50%).

For purposes of this Agreement, "Pro-Rata Performance Percentage" means, as of any point in time, a percentage (not to exceed 100% and not to be less than 0%) that is equal to the quotient of (i) the Company's aggregate gross profit for the most recently completed Company fiscal quarters (the "Four Quarter Gross Profit") minus the Base Gross Profit, divided by (ii) the Increase Gross Profit. As of the Date of the Award, the Base Gross Profit is \$[REDACTED]* million and the Increase Gross Profit is \$[REDACTED]* million.

As permitted by the Plan, the Goal Gross Profit, Four Quarter Gross Profit, Increase Gross Profit and Base Gross Profit figures will be proportionately adjusted by the Committee in the event that after the Date of Award and before the Expiration Date the Company effects in any 12 month period any divestiture (or series of divestitures) of operating assets transaction(s) in which the disposed of assets in the aggregate directly generated more than twenty percent of the Company's gross profit for the four most recently completed fiscal quarters preceding the initial divestiture. However, the Goal Gross Profit, Four Quarter Gross Profit, Increase Gross Profit and Base Gross Profit figures will not be adjusted in the event of Company acquisitions of third party companies, businesses or assets.

* Confidential treatment has been requested with respect to the omitted portion of this Exhibit, which portion has been filed separately with the Securities and Exchange Commission.

DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN

STOCK UNIT AGREEMENT

- 1. The Plan and Other Agreements** The text of the Plan is incorporated in this Agreement by reference. You and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement. Unless otherwise defined in this Agreement, certain capitalized terms used in this Agreement are defined in the Plan.

This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award of Stock Units. Any prior agreements, commitments or negotiations concerning this Award are superseded.
- 2. Award of Stock Units** Subject to the terms of this Agreement, the Company commits to award you the number of Stock Units shown on the cover sheet of this Agreement. The Award is subject to the terms and conditions of this Agreement and the Plan. The Company will not issue any Shares if the issuance of such Shares at that time would violate any law or regulation.
- 3. Vesting and Settlement** This Award will vest according to the Vesting Terms described in the cover sheet of this Agreement. To the extent a Stock Unit becomes a Vested Stock Unit and subject to your satisfaction of any tax withholding obligations as discussed below, each Vested Stock Unit will entitle you to receive one Share which will be distributed to you on the applicable vesting date as set forth in this Agreement. Issuance of such Shares shall be in complete satisfaction of such Vested Stock Units. Such settled Stock Units shall be immediately cancelled and no longer outstanding and you shall have no further rights or entitlements related to those settled Stock Units.
- 4. Transfer of Award** You cannot gift, transfer, assign, alienate, pledge, hypothecate, attach, sell, or encumber this Award. If you attempt to do any of these things, this Award will immediately become invalid. You may, however, dispose of this Award in your will or it may be transferred by the laws of descent and distribution. Regardless of any marital property settlement agreement, the Company is not obligated to recognize your spouse's interest in your Award in any other way.
- 5. Leaves of Absence** For purposes of this Award, your Service does not terminate when you go on a *bona fide* leave of absence that was approved by the Company in writing, if the terms of the leave of absence provide for Service crediting, or when Service crediting is required by applicable law. Your Service terminates in any event when the approved leave of absence ends unless you immediately return to active work.

The Company determines which leaves of absence count for this purpose (along with determining the effect of a leave of absence on vesting of the Award), and when your Service terminates for all purposes under the Plan.

- 6. Stockholder Rights**
- As a holder of Stock Units, you shall have no rights other than those of a general creditor of the Company. Subject to the terms of this Agreement, a holder of outstanding Stock Units has none of the rights and privileges of a stockholder of the Company. Without limiting the generality of the foregoing, a holder of outstanding Stock Units has no right to vote or to receive dividends (if any) on the shares represented by such Stock Units. Subject to the terms and conditions of this Agreement, Stock Units create no fiduciary duty of the Company to you and only represent an unfunded and unsecured contractual obligation of the Company. The Stock Units shall not be treated as property or as a trust fund of any kind.
- You, or your estate, shall have no rights as a stockholder of the Company with regard to the Award until you have been issued the applicable Shares by the Company and have satisfied all other conditions specified in the Plan. No
- adjustment shall be made for cash or stock dividends or other rights for which the record date is prior to the date when such applicable Shares are issued, except as provided in the Plan.
- 7. Taxes and Withholding**
- You will be solely responsible for payment of any and all applicable taxes, including without limitation any penalties or interest based upon such tax obligations, associated with this Award.
- The delivery to you of any Shares underlying Vested Stock Units will not be permitted unless and until you have satisfied any withholding or other taxes that may be due. Any such tax withholding obligations may be settled in the Company's discretion by the Company withholding and retaining a portion of the Shares from the Shares that would otherwise be deliverable to you under the vesting Stock Units as provided in the next two sentences. Such withheld Shares will be applied to pay the withholding obligation by using the aggregate fair market value of the withheld Shares as of the date of settlement. You will be delivered the net amount of vested Shares after the Share withholding has been effected and you will not receive the withheld Shares. The Company will not deliver any fractional number of Shares.
- 8. Code Section 409A**
- This Award will be administered and interpreted to comply with Code Section 409A. The provisions of the Plan concerning Code Section 409A will apply to this Award to the extent needed.
- 9. Restrictions on Resale**
- By signing this Agreement, you agree not to sell, transfer, dispose of, pledge, hypothecate, make any short sale of, or otherwise effect a similar transaction of any Shares acquired under this Award (each a "Sale Prohibition") at a time when applicable laws, regulations or Company or underwriter trading policies prohibit the sale or disposition of Shares.
- The Company shall have the right to designate one or more periods of time, each of which generally will not exceed one hundred eighty (180) days in length (provided however, that such period may be extended in connection with the Company's release (or announcement of release) of earnings results or other material news or events), and to impose a Sale Prohibition, if the Company determines (in its sole discretion) that such limitation(s) is/are needed in connection with a public offering of Shares or to comply with an underwriter's request or trading policy, or could in any way facilitate a lessening of any restriction on transfer pursuant to the Securities Act or any state securities laws with respect to any issuance of securities by the Company, facilitate the registration or qualification of any securities by the Company under the Securities Act or any state securities laws, or facilitate the perfection of any exemption from the registration or qualification requirements of the Securities Act or any applicable state securities laws for the issuance or transfer of any securities. The Company may issue stop/transfer instructions and/or appropriately legend any stock certificates issued pursuant to this Award in order to ensure compliance with the foregoing.
- If the sale of Shares acquired under this Award is not registered under the Securities Act, but an exemption is available which requires an investment representation or other representation and warranty, you shall represent and agree that the Shares being acquired are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations and warranties as are deemed necessary or appropriate by the Company and its counsel.
- You may also be required, as a condition of this Award, to enter into any Company stockholder agreement or other agreements that are applicable to stockholders.
- 10. Clawback Policy**
- You expressly acknowledge and agree to be bound by Section 15(e) of the Plan, which contains provisions addressing the Company's policy on recoupment of equity or other compensation.
- 11. No Retention Rights**
- Your Award or this Agreement does not give you the right to be retained by the Company (or any Parent or any Subsidiaries or Affiliates) in any capacity. The Company (or any Parent and any Subsidiaries or Affiliates) reserves the right to terminate your Service at any time and for any reason.

12. **Extraordinary Compensation** This Award and the Shares subject to the Award are not intended to constitute or replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
13. **Adjustments** In the event of a stock split, a stock dividend or a similar change in the Company stock, the total number of Stock Units covered by this Award, the then number of outstanding Stock Units, and the number of Stock Units potentially to be granted shall each be adjusted (and rounded down to the nearest whole number) pursuant to the Plan. Your Stock Units shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.
14. **Legends** All certificates or book entries representing the Common Stock issued under this Award may, where applicable, have endorsed thereon the following notations or legends and any other notation or legend the Company determines appropriate:
- “THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OPTIONS TO PURCHASE SUCH SHARES SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR HIS OR HER PREDECESSOR IN INTEREST. A COPY OF SUCH AGREEMENT IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND WILL BE FURNISHED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY BY THE HOLDER OF RECORD OF THE SHARES REPRESENTED BY THIS CERTIFICATE.”
- “THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR QUALIFICATION UNDER APPLICABLE STATE LAWS OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION OR QUALIFICATION IS NOT REQUIRED.”
15. **Applicable Law** This Agreement will be interpreted and enforced under the laws of the State of Delaware without reference to the conflicts of law provisions thereof.
16. **Regulatory Compliance** The issuance of Common Stock pursuant to this Agreement shall be subject to full compliance with all applicable requirements of law and the requirements of any stock exchange or interdealer quotation system upon which the Common Stock may be listed or traded.
17. **Binding Effect; No Third Party Beneficiaries** This Agreement shall be binding upon and inure to the benefit of the Company and you and any respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Company and you and any respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the settlement or termination of the Award.

- 18. Notice** Any notice to be given or delivered to the Company relating to this Agreement shall be in writing and addressed to the Company at its principal corporate offices. All notices shall be deemed effective upon personal delivery or upon deposit in the postal mail, postage prepaid and properly addressed to the Company. Any notice to be given or delivered to you relating to this Agreement may be delivered by electronic form including without limitation by email (including prospectuses required by the SEC) as well as all other documents that the Company is required to deliver to its security holders (including annual reports and proxy statements). The Company may also deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company.
- 19. Voluntary Participant** You acknowledge that you are voluntarily participating in the Plan.
- 20. No Rights to Future Awards** Your rights, if any, in respect of or in connection with this Award or any other Awards are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary future Award. By accepting this Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you or benefits in lieu of other Awards even if Awards have been granted repeatedly in the past. All decisions with respect to future Awards, if any, will be at the sole discretion of the Committee.
- 21. Future Value** The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not maintain or increase their value after the Date of Award, the Award could have little or no value. If you obtain Shares under this Award, the value of the Shares acquired upon settlement may subsequently increase or decrease in value, and could decrease to a value less than the taxes payable upon settlement.
- 22. No Advice Regarding Award** The Company has not provided any tax, legal or financial advice, nor has the Company made any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.
- 23. No Right to Damages** You will have no right to bring a claim or to receive damages if any portion of the Award is cancelled or expires. The loss of existing or potential profit in the Award will not constitute an element of damages in the event of the termination of your Service for any reason, even if the termination is in violation of an obligation of the Company or a Parent or a Subsidiary or an Affiliate to you.
- 24. Data Privacy** You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by the Company for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company holds certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, gender, social security or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("Data"). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired under the Plan.
- 25. Other Information** You agree to receive stockholder information, including copies of any annual report, proxy statement and periodic report, from the Company's website, if the Company wishes to provide such information through its website. You acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are also available upon written or telephonic request to the Plan's administrator.

26. **Further Assistance** You agree to provide assistance reasonably requested by the Company in connection with actions taken by you while providing services to the Company, including but not limited to assistance in connection with any lawsuits or other claims against the Company arising from events during the period in which you rendered service to the Company.
27. **Legal Compliance** The Company (or any Parent or any Subsidiaries or Affiliates) is not responsible for your legal compliance requirements relating to this Award, including, but not limited to, tax reporting.
28. **Additional Conditions** If the Company shall determine, in its sole discretion, that the consent or approval of any governmental authority is necessary or desirable as a condition to the payment of benefits to you pursuant to the Plan, such payment shall not occur until such registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.
29. **Enforcement** The Company will be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights to which it may be entitled. You agree and acknowledge that money damages may not be an adequate remedy for breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.
30. **Nondisclosure of Confidential Information** You acknowledge that the businesses of the Company is highly competitive and that the Company's strategies, methods, books, records, and documents, technical information concerning their products, equipment, services, and processes, procurement procedures and pricing techniques, the names of and other information (such as credit and financial data) concerning former, present or prospective customers and business affiliates, all comprise confidential business information and trade secrets which are valuable, special, and unique assets which the Company uses in their business to obtain a competitive advantage over competitors. You further acknowledge that protection of such confidential business information and trade secrets against unauthorized disclosure and use is of critical importance to the Company in maintaining its competitive position. You acknowledge that by reason of your duties to and association with the Company, you have had and will have access to and have and will become informed of confidential business information which is a competitive asset of the Company. You hereby agree that you will not, at any time during or after employment, make any unauthorized disclosure of any confidential business information or trade secrets of the Company, or make any use thereof, except in the carrying out of services responsibilities. You shall take all necessary and appropriate steps to safeguard confidential business information and protect it against disclosure, misappropriation, misuse, loss and theft. Confidential business information shall not include information in the public domain (but only if the same becomes part of the public domain through a means other than a disclosure prohibited hereunder). The above notwithstanding, a disclosure shall not be unauthorized if (i) it is required by law or by a court of competent jurisdiction or (ii) it is in connection with any judicial, arbitration, dispute resolution or other legal proceeding in which your legal rights and obligations as a service provider or under this Agreement are at issue; provided, however, that you shall, to the extent practicable and lawful in any such events, give prior notice to the Company of your intent to disclose any such confidential business information in such context so as to allow the Company an opportunity (which you will not oppose) to obtain such protective orders or similar relief with respect thereto as may be deemed appropriate. Any information not specifically related to the Company would not be considered confidential to the Company. In the event of any conflict in terms between this Section 30 and the terms of any Company confidentiality or proprietary information agreement you have executed, the terms of such other confidentiality or proprietary information agreement shall prevail and govern.



Diodes Incorporated Celebrates Commencement of Mass Production at its Assembly and Test Facility in Chengdu, China

Plano, Texas – July 24, 2015 -- Diodes Incorporated (Nasdaq: DIOD), a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete, logic and analog semiconductor markets, today held the production commencement ceremony for Diodes Technology (Chengdu) Company Limited's assembly and test facility at Chengdu Hi-Tech Industrial Development Zone (CDHT).

Established in December 2010 as a joint venture between Diodes Incorporated and Chengdu Ya Guang Electronic Company Limited (5% ownership), Diodes Technology (Chengdu) Company Limited provides semiconductor assembly and testing and is an expansion of the Company's manufacturing presence in China.

Dr. Keh-Shew Lu, President and Chief Executive Officer of Diodes Incorporated, led the ceremony. Also in attendance were provincial, city and CDHT officials, media guests, business partners, as well as members of the Company's senior management.

Commenting at the ceremony, Dr. Lu stated, "The Chengdu facility will become Diodes largest production center in China and will play a key role in supporting our long-term growth. When fully equipped, the facility will have three times the available capacity as our Shanghai assembly and test site, which was 32 billion units last year. Today's achievement of mass production represents an important milestone since launching the pilot line in the second quarter of 2011. We expect to reach an estimated monthly run rate of 400 million units by the end of this year, and run rate of 1.2 billion units by the end of next year. With the addition of the Chengdu facility to our existing packaging capabilities, we are now well positioned with the capacity to meet customers' growing future demand."

About Diodes Incorporated

Diodes Incorporated (Nasdaq: DIOD), a Standard and Poor's SmallCap 600 and Russell 3000 Index company, is a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete, logic and analog semiconductor markets. Diodes serves the consumer electronics, computing, communications, industrial, and automotive markets. Diodes' products include diodes, rectifiers, transistors, MOSFETs, protection devices, functional specific arrays, single gate logic, amplifiers and comparators, Hall-effect and temperature sensors; power management devices, including LED drivers, AC-DC converters and controllers, DC-DC switching and linear voltage regulators, and voltage references along with special function devices, such as USB power switches, load switches, voltage supervisors, and motor controllers. Diodes' corporate headquarters and Americas' sales office are located in Plano, Texas. Design, marketing, and engineering centers are located in Plano; San Jose, California; Taipei, Taiwan; Manchester, England; and Neuhaus, Germany. Diodes' wafer fabrication facilities are located in Kansas City, Missouri and Manchester, with two additional facilities located in Shanghai, China. Diodes has assembly and test facilities located in Shanghai and in Chengdu, China, as well as in Neuhaus and in Taipei. Additional engineering, sales, warehouse, and logistics offices are located in Taipei; Hong Kong; Manchester; Shanghai; Shenzhen, China; Seongnam-si, South Korea; and Munich, Germany, with support

offices throughout the world. For further information, including SEC filings, visit Diodes' website at www.diodes.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such statements include statements regarding our expectation that: the Chengdu facility will become Diodes largest production center in China and will play a key role in supporting our long-term growth; when fully equipped, the facility will have three times the available capacity as our Shanghai assembly and test site, which was 32 billion units last year; we expect to reach an estimated monthly run rate of 400 million units by the end of this year, and run rate of 1.2 billion units by the end of next year; and with the addition of the Chengdu facility to our existing packaging capabilities, we are now well positioned with the capacity to meet customers' growing future demand. Potential risks and uncertainties include, but are not limited to, such factors as: the risk that such expectations may not be met; the risk that the expected benefits of acquisitions may not be realized; the risk that we may not be able to maintain our current growth strategy or continue to maintain our current performance, costs and loadings in our manufacturing facilities; risks of domestic and foreign operations, including excessive operation costs, labor shortages, higher tax rates and our joint venture prospects; the risk of unfavorable currency exchange rates; our future guidance may be incorrect; the global economic weakness may be more severe or last longer than we currently anticipated; and other information including the "Risk Factors," detailed from time to time in Diodes' filings with the United States Securities and Exchange Commission.

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