

# **Fubon Financial Holding Co., Ltd.**

## **Codes of Ethical Conduct**

Adopted by the Board of Directors on April 21, 2006  
1<sup>st</sup> amendment by the Board of Directors on April 28, 2015

### Article 1 (Purpose of and Basis for Adoption)

These Codes of Ethical Conduct (the “Codes”) are enacted in order to provide guidance for directors and managers of the Company to act in accordance with moral standards and to enable the interested persons of the Company to understand the Company’s moral standards.

### Article 2 (Scope of the Managers)

The managers under these Codes are referring to the president and its equivalents, the executive vice president and its equivalents, the senior vice president and its equivalents, heads of the financial departments and the accounting departments, and other persons who are entitled to manage business and sign documents for and on behalf of the Company.

### Article 3 (Prevention of Conflicts of Interest)

Directors and managers should perform their duties in an objective and efficient manner and should not take advantage of their position in the Company to obtain improper benefits for themselves or their spouse, parents, children, or relatives within the second degree of kinship.

The Company should pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which either of the staffs abovementioned works. The Company should establish a policy aimed at preventing conflicts of interest, and should offer appropriate means for directors or managers to voluntarily explain whether there is any potential conflict between them and the Company.

### Article 4 (Limit Opportunities to Pursue Personal Gain)

The Company should prevent its directors or managers from engaging in any of the following matters:

1. Seeking an opportunity to pursue personal gain or obtaining personal gain by using the property or information of the Company or taking advantage of their positions; and
2. Competing with the Company. When the Company has an opportunity for profit, it is the responsibility of the directors or managers to maximize the reasonable and proper benefits

that can possibly be obtained by the Company.

#### Article 5 (Confidentiality)

Except for the disclosure made after authorization or in accordance with laws, the directors or managers should be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

#### Article 6 (Fair Trade)

Directors or managers should fairly treat all suppliers and customers, competitors, and employees, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

#### Article 7 (Safeguarding and Proper Use of Company Assets)

All directors or managers are obligated to safeguard the Company's assets and to ensure that such assets could be effectively and lawfully used for official business purposes.

#### Article 8 (Compliance with Laws and Regulations)

The Company should strengthen its directors and managers' compliance with the Securities and Exchange Act and other laws and regulations.

#### Article 9 (Encourage Reporting of Illegal or Unethical Conducts)

The Company should raise awareness of ethics internally and encourage its employees to report to independent directors, managers, internal audit officers or other appropriate personnel upon suspicion or discovery of any activity in violation of a law or regulation or the Codes. To encourage employees to report illegal conduct, the Company should establish a concrete reporting system and make employees aware that the Company will use its best efforts to ensure the safety of informants and protect them from reprisals.

#### Article 10 (Disciplinary Measures)

When a director or manager violates these Codes, the Company should handle the matter in accordance with the disciplinary measures prescribed in the Company Act, the relevant laws and regulations, and the bylaws of the Company, and should without delay disclose such

matter on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the Codes violated, and the disciplinary actions taken.

The Company should establish a relevant complaint system to provide the violator of these Codes with means for seeking remedies.

#### Article 11 (Procedures for Exemption)

It must require that any exemption for directors or managers from compliance with these Codes be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, any objections or reservations of independent directors, the period of the exemption, the reasons for the exemption, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to prevent any arbitrary or dubious exemption from these Codes, and to safeguard the interests of the Company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

#### Article 12 (Method of Disclosure)

The Company should disclose these Codes, and any amendments to them, on the Company's website, in its annual reports and prospectuses, and on the MOPS.

#### Article 13 (Enforcement)

These Codes and any amendments to them should enter into force after they have been adopted by the board of directors, delivered to each independent director, and submitted to a shareholders meeting.