

## E.SUN FHC Directors Ethical Code of Conduct

set at the 5<sup>th</sup> Meeting of the 6<sup>th</sup> Board of Directors on November 2, 2017

### Article 1 (Purpose of Adoption)

To ensure that the behavior of the Company's board directors, while performing their duties, conforms to its ethical standards, this Code is adopted pursuant to the *Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies* and Article 7 of the *Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries*.

### Article 2 (Applicable Parties)

This Code applies to the directors, independent directors, and supervisors of the Company and its directly or indirectly controlled subsidiaries (hereafter the "Directors").

### Article 3 (Legal Compliance and Standards of Ethical Conduct)

The Directors shall demonstrate honesty and integrity and abide by laws and regulations as well as this Code, making themselves an example by setting a lofty bar of ethical conduct.

### Article 4 (Preventing Conflicts of Interests)

The Directors shall stay alert to scenarios where a conflict of interests may occur and refrain from personal actions or monetary gains that may come into opposition with the Company, as well as from other scenarios where personal interests may conflict with the Company's overall interests.

The Directors may not secure any undue gains for themselves or their spouse, parents, and children or any relative within the second degree by virtue of their positions at the Company.

### Article 5 (Refraining From Seeking Personal Gains)

The Directors shall refrain from the following actions:

- (1) Secure personal gains or facilitate such opportunities by making use of the Company's assets or information or the positions they hold.
- (2) Provide, promise, request, or receive money, gifts, entertainment, services, or other benefits in any form or under any name by making use of the Company's assets or information or the positions they hold. The same does not apply, however, in

occasional cases that are necessitated by social decorum or business needs and do not threaten to undermine the Company's rights and obligations.

- (3) Compete with the Company. The same does not apply, however, in cases where a shareholders' meeting and/or the Board of Directors has approved their exemption from business strife limitation.

#### Article 6 (Obligation of Confidentiality)

Except otherwise authorized or legally stipulated for public disclosure, the Directors shall honor the obligation to keep confidential the knowledge, confidential information, or customer data they have learned by virtue of their positions at the Company. The same applies after their resignation or departure. The information that needs to be kept confidential includes but is not limited to information exclusively owned by the Company, confidential information with a real or potential financial gain or economic value, or any other undisclosed information that is likely to damage the Company or its customers after being taken advantage of by competitors or getting leaked.

#### Article 7 (Duties of Loyalty and Care)

The Directors shall faithfully perform their duties and exercise the due care of a good administrator in urging the Company against unethical conduct.

#### Article 8 (Fair Trade and Insider Trading)

The Directors shall treat the Company's transaction counterparties fairly and refrain from securing undue gains through manipulation, nondisclosure, or misuse of information obtained by virtue of their positions at the Company, misinterpretation of important matters, or other unfair trading practices.

The Directors shall not engage in insider trading by using their knowledge of information that the Company has yet to make public and any other material information that is likely to affect the Company's stock price.

#### Article 9 (Safeguarding and Proper Use of the Company's Assets)

The Directors have the responsibility to safeguard the Company's assets and make sure that they can be effectively and lawfully used for official business purposes by preventing any theft, negligence in care, or waste from adversely affecting the Company's operations and earnings capacity.

#### Article 10 (Notification, Presentation, and Reporting of Substantial Damage)

Upon discovery that the Company may suffer substantial damage, the Directors shall properly tackle the case as soon as possible: immediately notify the Audit Committee or independent directors or supervisors who comprise the committee of the case, present the case before the Board of Directors, and supervise the Company in reporting the case to the competent authority.

#### Article 11 (Exemption Protocols)

If the Directors see a need to be exempted from compliance with provisions of this Code, they shall secure approval at a board meeting that is attended by not fewer than two thirds of board members and where not fewer than three fourths of the attendees vote in favor.

If the aforesaid scenario does present itself, the Company shall immediately disclose on the Market Open Observation System the following information: the date of the Board of Directors approving the said exemption, opposing or qualified opinions raised by any independent director, and the duration of and reasons for the said exemption as well as the provision(s) being exempted from.

#### Article 12 (Disciplinary Protocols)

If any of the Directors violates this Code, the Company shall present the case before the Board of Directors with due process. Before any disciplinary decision is made, however, the Company shall provide the alleged violator with an opportunity to make a statement or appeal otherwise.

If any of the Directors commits a major offense in violation of applicable laws and regulations, the Company shall pursue their civil and criminal liabilities to preserve the rights and interests of the Company and its shareholders.

Where the Company's finances or operations sustain a material effect due to the Directors being implicated in a litigation, non-litigious proceeding, administrative dispute, or application for or execution of a provisional attachment or injunction, or where the Directors are indicted for violations of the *Securities and Exchange Act*, *Futures Trading Act*, *Company Act*, *Banking Act*, *Insurance Act*, *Act Governing Bills Finance Business*, *Financial Holding Company Act*, or *Business Entity Accounting Act* or on corruption, malfeasance, fraud, breach of trust, or embezzlement charges, the Company shall immediately disclose relevant information on the Market Observation Post System.

#### Article 13 (Disclosure of Information)

The Company shall disclose this Code and all subsequent revisions hereof on its official website and the Market Observation Post System and in its annual report and prospectus.

#### Article 14

Other matters not covered in this Code shall be dealt with in accordance with applicable laws and regulations as well as the Company's *Articles of Incorporation*.

#### Article 15

This Code shall be implemented after adoption by the Board of Directors; it shall also be presented before a shareholders' meeting.