

Code of Conduct for Employees of China Development Financial Holding Corporation

Competent Authority: Human Resources Department

Date of Approval: September 15, 2005

Date of Amendment: June 4, 2015

1. China Development Financial Holding Corporation (“CDF”) has set forth the Code of Conduct for all employees to adhere.
2. All CDF subsidiaries (as referred to in Clause 4 of Article 4 of Financial Holding Company Act) shall formulate related articles in accordance to laws, actual needs, and the Code of Conduct.
3. The Code of Conduct applies to all employees of CDF.
4. CDF employees shall manage CDF affairs with honesty and morality. Conducts of honesty refer to those conducts void of fraud, deceit, and concealment. Conducts of morality refer to conducts that are abided by professional standards, including dealing with incidents of conflict of interest in a fair manner.
5. CDF employees shall not publicly disclose or reveal internal information or information of customers obtained at their job scope, or seek personal gains or gains for others (for detailed guidelines, refer to the attached Rules for Avoidance of Conflict of Interest). CDF employees attending or helping with the organization of internal or external meetings (including but not limited to meetings related to investment and credit services) shall not disclose through any means the information of the meeting, or assessment, statements, and discussions made in the meeting, to a third party with direct or indirect connection to the content of the meeting without approval of immediate supervisor.
6. CDF employees shall not take advantage of their positions and seek personal gains, or receive commissions or other inappropriate benefits from customers.
7. CDF employees are prohibited to engage in activities that will conflict or damage CDF’s interests or reputation. For instance, employee shall notify

supervisor in the occurrence of conflict of interest when carrying out duties, and apply for avoidance.

8. CDF employees are obliged to report all personal commercial activities to avoid potential conflict of interest. Reporting procedure is as followed:
 - i. Non-department heads under (including) 13th grade: submit report to department head for approval; related documents will be submitted to Human Resources Department for future reference with countersignature of Compliance Department.
 - ii. Department heads above (including) 14th grade: submit report to immediate supervisor, and to President and Chairman for approval with countersignatures by Compliance Department and Human Resources Department; outside employment in accordance to legal regulations or with unique situations shall be reported to the board of managing directors or board of directors for review and approval.
9. Department heads, or immediate supervisors, Compliance Department, and Human Resources Department in the preceding article shall carefully evaluate the outside employment reported by the employees, with a scope of evaluation covering the followings:
 - i. The nature of the company/institution/organization, the position and title, and the responsibilities of the employee's outside employment, as well as whether the employee is a shareholder of the said entity.
 - ii. Whether the outside employment will affect the employee's performance or CDF's operation.
 - iii. Whether the outside employment complies with external laws and regulations or CDF guidelines and bylaws.
 - iv. Whether the outside employment might result in potential conflict of interest with CDF or leak of CDF confidential information.
 - v. Whether the employee has dominant influence at the company of the outside employment, and whether the employee adheres to principle of avoiding conflict of interest.
 - vi. Whether the outside employment will compromise CDF reputation, image, and rights and interests.

With violation of any one of conditions ii to vi during the period of outside employment, the employee shall not be allowed for the outside employment.

10. CDF employees shall not receive monetary compensation or unethical non-monetary gifts from customers or vendors. CDF employees shall avoid inappropriate social engagement with customers or vendors.
11. CDF employees are prohibited to release information unfavorable to CDF and its employees to the public or media.
12. Misconducts between CDF employees and customers, vendors, or among employees are strictly forbidden, such as gambling, or the organization of rotating savings and credit association involving large sums.
13. CDF employees shall always remain highly alert to any transactions they handle to prevent money-laundering; CDF employees shall not take advantage of their positions for, or assist a third party in, money-laundering.
14. CDF employees are prohibited to manipulate, conceal, or exploit information obtained at their positions to gain illegal income for themselves or a third party.
15. CDF employees (including those who have left CDF no more than six months) that have obtained undisclosed information of customers, which will have profound influence on securities issued by or other assets of the customers when disclosed, through information exchange or activities in connection with CDF, are prohibited of the following actions on own behalf or through a third party before the information is disclosed, or within 18 hours after the information is disclosed:
 - i. Purchase or sell securities (including but not limited to equities, bonds, bills, equity securities), foreign exchange, derivatives or other assets of the said customer.
 - ii. Disclose the information to a third party with unrelated duties.
 - iii. Hint, urge, or take advantage of a third party to purchase or sell the aforementioned securities, foreign exchange, derivatives, or other assets.
16. CDF employees shall abide to CDF bylaws and relevant articles of internal control, and comply with all relevant laws promulgated by competent authorities regarding financial practitioners' professional practice.
17. All CDF department heads and other managerial officers above the 14th grade that hold concurrent posts at other companies shall thoroughly understand the scope of operation of the said company, and handle issues related to the lifting of non-competition restriction in compliance with

Company Act and relevant laws.

18. Violations of the Code of Conduct by CDF employees shall be reported to Internal Audit Department by related departments. Once found to be factual, punishment shall be deliberated and imposed in accordance to CDF Rules on Reward and Punishment. When in case of breaching relevant laws and regulations, the employee is subjected to punishment in accordance to relevant laws.
19. The Code of Conduct, and any amendment thereof, shall take full force and effect upon approval by President.

Appendix

CDF Rules for Avoidance of Conflict of Interest

1. Long-term investment

i. CDF employee responsible for investment evaluation shall proactively file for avoidance to department heads or Executive Vice President when himself/herself, a spouse, or a relative by blood within the second degree of kinship is an investor of the investment target, and shall not be responsible for the evaluation report and credit report of the investment.

ii. CDF employees that partake in investment evaluation, credit assessment, and auditing, or gain information of a CDF investment at their positions, shall not purchase shares (excluding original shareholders participating in share capital increase by cash) in the name of himself/herself, a spouse, and a relative of second degree kinship within three months after the investment is approved by Investment Commission and fund appropriated. After three months to up to one year, CDF employees purchasing shares shall declare the purchase to department heads and Compliance Department, and the submitted declaration will be archived by the business unit for future reference.

iii. Preceding rules are not applicable to circumstances described below:

1) Investment target is a listed and OTC company.

2) Internally drawn or distributed shares of CDF, as well as share subscription for capital increase by cash of the said shares and distributed stock dividends.

iv. Investment Committee member shall actively avoid the case relevant to his/her Interested Parties by not participating in voting at review meetings.

2. Transaction of Bonds, Bills, Equity Securities, and Foreign Exchange and Derivatives

i. Department heads responsible for the operation and employees with transaction authority approved by department heads shall not be directly involved in transaction of bonds, bills, equity securities, and foreign exchange and derivatives with companies where himself/herself, a spouse, and a relative by blood of second degree kinship, or related party, serves as director or

supervisor (including conditional trading); however, the rule does not apply in the case of CDF appointed directors and supervisors.

ii. Department heads responsible for the operation and employees with transaction authority approved by department heads shall not be directly involved in transaction of equity securities, unsecured company bonds and bills, and other unsecured securities issued by companies where himself/herself, a spouse, and a relative by blood of second degree kinship, or related party, serves as director or supervisor (including conditional trading); however, the rule does not apply in case of CDF appointed directors and supervisors.

3. Procurement

Decision-making management and officers who in charge of any procurement shall not purchase from companies where himself/herself, a spouse, and a relative by blood of second degree kinship is the person responsible of the company or in possession of over 10% of the company's shares (except for CDF appointed director and supervisor).

4. Internal Audit

Auditor shall not carry out auditing on cases that he/she previously handled, or has conflict of interest with. Auditor shall not receive inappropriate entertainment, gifts, or other inappropriate benefits from CDF employees or customers.