

Stock Code : 2838

Union Bank of Taiwan

2022 General Shareholders

Procedure Manual

9 a.m., 27 May 2022

6th Floor, No. 83, Section 2, Jhongshan North Road, Taipei City
The Bank's Staff Education and Training Classroom

Shareholders' meeting Convening method:
Entity shareholders' meeting

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Union Bank of Taiwan

Procedure for the 2022 Annual Meeting of Shareholders

MEETING TIME: 9 a.m., 27 May 2022(Friday)

PLACE: The Bank's Staff Education and Training Classroom (6th Floor, No. 83,
Section 2, Jhongshan North Road, Taipei City)

1. Call the Meeting to Order
2. Chairperson Takes Chair
3. Chairperson Remarks
4. Reports
 - (1). 2021 Business Report.
 - (2). 2021 Audit Committee Audit Report.
 - (3). 2021 Employee and Director Remuneration Distribution Report
 - (4). 2021 Report on the Remuneration of Directors.
5. Proposals
 - (1). 2021 Business Report and Financial Statements.
 - (2). 2021 Earnings Distribution Proposal
6. Discussion
 - (1). Amending part of the Articles of Association.
 - (2). Amending part of the " Rules of Procedure for Shareholders Meetings ".
 - (3). The amendment of the Company's Procedures Governing the Acquisition or Disposal of Assets.
 - (4). Discuss the company's surplus to allocate capital to issue new share.
7. Questions and Motions.
8. Adjournment.

1. Reports

Proposal No. 1

Subject: The 2021 Business Report is submitted for review.

Illustration: Please refer to Attachment 1 Business Report (pages 7 to 13 of this manual).

Proposal No. 2

Subject: The 2021 Audit Committee Audit Report is submitted for review.

Illustration: Please refer to Attachment 2 Audit Committee Audit Report (page 14 of this manual).

Proposal No. 3

Subject: The 2021 Report on Employee and Director Remuneration Distribution Status is submitted for review.

Illustration:

- (1) In 2021, the Bank's pre-tax net profit before distribution of remuneration to employees and directors is NT\$ 5,263,394,602. It is planned to accrue NT\$96,846,461 for employees' remuneration and NT\$4,737,055 for directors' remuneration in accordance with the Bank's Articles of Association.
- (2) Among them, NT\$96,846,461 of employee remuneration is issued in shares. According to the order of the Financial Supervision and Administration Commission on January 30, 2016(Jin Guan Zheng Shen Zi No. 1050001900), the number of issued shares is calculated at the closing price on the day before the resolution of the board of directors (March 4, 2022). The closing price of ordinary shares of Japan Bank was NT\$13.45), a total of 720,480 new shares were issued, with a face value of NT\$10 per share, and the remuneration of less than 1 share was NT\$5, which was paid in cash; the director's remuneration was paid in cash. There is no difference between the aforesaid amount and the amount estimated in the year in which the expense is recognized.

Proposal No. 4

Subject: 2021 Annual Report on the Remuneration of Directors is submitted for review.

Illustration:

- (1) The Bank (Principles for the Appraisal of Directors' Remuneration) Please refer to the attachment5 (page 38 of this manual) for the principles of monthly remuneration, attendance fees and remuneration distribution for directors, and regular adjustments based on the results of the performance evaluation of the Board of Directors.
- (2) In 2021, please refer to the attachment5 (page39 of this manual) for the remuneration of directors: including remuneration (salary, pension)

NT\$15,154,807, remuneration NT\$3,533,613, shareholding trust NT\$7,000, business execution expenses (attendance, special expenses) , vehicle allocation, fuel and tolls) NT\$2,165,576, totaling NT\$20,860,996.

2. Proposals

Proposal No. 1

Subject: The 2021 business report and financial statements are submitted for approval. (Proposed by Board of Directors)

Illustration:

1. The 2021 business report and financial statements of the Bank (including consolidated financial statements) have been audited by accountants Huang Jui-Chan and Yang Cheng-Hsiu Yang of Deloitte & Touche and have, together with the business report, been approved by the 3th meeting of the 6th term of the audit committee and the 11th meeting of the 7th term of the board of directors of the Bank. They are submitted for approval.
2. Please refer to the above-cited documents in Attachment 1 (pages 7 to 13 of this manual) & Attachment 3 (pages 15 to 36 of this manual)

Resolution:

Proposal No. 2

Subject: The 2021 Profit Distribution Proposal is submitted for approval. (Proposal by Board of Directors)

Illustration:

1. 2021 distributable profit of NT\$5,267,401,670. It is proposed that the distribution be made as shown in Attachment 4 (page 37 of this manual) in accordance with the articles of association of the Bank.
 - (1) Special dividends (NT\$2.4 per share, calculated at a rate of 4.8% per share) total NT\$480,000,000.
 - (2) Common stock cash dividends (NT\$0.15 per share) totaled NT\$494,282,804.
 - (3) Common stock dividends (NT\$0.885 per share) totaled NT\$2,916,268,545.
 - (4) Undistributed profit: NT\$1,376,850,321.

2. After the profit distribution proposal is approved by the general shareholders meeting, the board of managing directors is authorized to determine the record date for dividend distribution and to handle cash distribution related matters.
3. In accordance with the regulation of the Ministry of Finance Tai-Cao-Shui No. 871941343 date 30 April 1998, in distributing profit, individual identification should be adopted. The 2021 profit should be distributed in priority in this profit distribution.
4. If the total number of outstanding shares is subsequently changed due to buy-back of the Bank's shares or the transfer, exchange or cancellation of treasury shares or any other event, resulting in the change of dividend distribution ratio, the shareholders meeting should authorize the board of directors to carry out the change.

Resolution:

3. Discussions

Proposal No.1

Subject: Amending part of the Articles of Association. (Proposed by Board of Directors)

Illustration:

1. This revision is based on the amendments to Article 172-2 and Article 356-8 of the "Company Law" passed by the Legislative Yuan in the third reading on December 14, 2021 and passed by the Executive Yuan for review. The articles of association stipulate that all shareholders' meetings can be held by video.
2. Article 11-2 of the "Articles of Association" is updated this time: "When the shareholders' meeting of the Bank is held, it may be held by video conference or other methods announced by the central competent authority. If the securities regulatory authority otherwise stipulates, the regulations shall be followed."
3. Before and after the revision, please refer to Attachment 6 (page 40 of this manual)

Resolution:

Proposal No. 2

Subject: Amending part of the " Rules of Procedure for Shareholders Meetings ".
(Proposed by Board of Directors)

Illustration:

1. Amendments to Articles 172-2 and 356-8 of the Company Law to revise the Bank's Rules of Procedure for Shareholders' Meetings with regard to the conditions to be met, operating procedures and other matters to be followed when the shareholders' meeting can be held by video conference Articles 3, 4, 5, 6, 8, 9, 11, 13, 15, 16, etc., and new Article 19, 20, 21, and adjust 22 with the addition of articles .
2. In this revision, in addition to some provisions based on the reference example, the relevant text is revised, and the remaining key points are as follows:
 - (1). Article 172-2 of the Company Law was amended to add that changes to the method of holding a shareholders' meeting should be resolved by the board of directors, and at the latest before the notice of the shareholders' meeting is dispatched (Article 3).
 - (2). For video conferencing, amend the relevant provisions on the use of proxy forms, the location of video conferencing, shareholder registration and attendance, registration, questioning, voting, vote counting, disclosure of relevant information of the meeting, and the preservation of the whole process of recording, video and audio-visual data, etc. (Article 4. 5, 6, 8, 9, 11, 13, 15, 16, 19).
 - (3). If there is no physical meeting place, the chairperson shall announce the address of the meeting place, and add the method for dealing with communication barriers and digital gaps in the video conference (Articles 20 and 21).
3. Please refer to Attachment 7 (pages 41 to 55 of this manual). for the comparison table before and after the revision of the "Rules of Procedures for Shareholders Meetings" of the Bank.

Resolution:

Proposal No. 3

Subject: The amendment of the Company's Procedures Governing the Acquisition or Disposal of Assets. (Proposed by Board of Directors)

Illustration: Pursuant to the Financial Supervisory Commission's Order No. 1110380465 dated January 28, 2022, some provisions of the Bank's procedures for acquiring or disposing of assets have been revised. For the comparison table of provisions before and after the revision, please refer to Attachment 8 (pages 56 to 64 of this manual).

Resolution:

Proposal No. 4

Subject: Discuss the company's surplus to allocate capital to issue new share. (Proposed by the Board of Directors)

Illustration:

1. In order to enrich the working capital of the Bank, NT\$2,916,268,545 will be allocated from the distributable surplus in 2021, and the surplus will be converted into capital. Among them, 291,626,854 ordinary shares will be issued for NT\$2,916,268,540, and the remaining NT\$5 will be distributed in cash as the equivalent of less than one share.
2. After the approval of the shareholders' meeting, the board of directors is authorized to set the base date for the capital increase and share allotment. The stock dividends distributed by the shareholders shall be distributed free of charge according to the proportion of the shares held by the ordinary shareholders listed in the register of ordinary shareholders of the Japanese stocks on the basis of allotment, and 88.5 shares shall be distributed for each thousand shares.
3. The new shares issued are ordinary shares, and the rights and obligations are the same as ordinary shares, with a denomination of NT\$10 per share.
4. In the event of a change in the shares of the Bank, or the transfer, conversion or cancellation of the treasury shares or other circumstances, affecting the total number of shares outstanding, the share allotment, and the dividend rate, the shareholders' meeting authorizes the board of directors to handle the change.
5. In the case of the above-mentioned capital increase and issuance of new shares, the shareholders' meeting authorizes the board of directors to deal with changes in the law or when the competent authority approves the amendment.

Resolution:

4 、 Questions and Motions.

Adjournment

1.Domestic and Overseas Financial Status

In 2021, with the increase in vaccine coverage, the economies of various countries will be gradually unblocked. However, in the second half of the year, due to the rampant Delta and Omicron variant viruses and rising global inflation, economic growth will be hindered, various industries will recover unevenly, and my country's banking industry funds are in a loose pattern, resulting in an increase in the loan business volume, an increase in the interest margin income, and the increase in foreign exchange deposits due to the boom in exports. The loan business has also continued to promote and expand the SME loan project with the financing limit. Real estate, overseas lending and investment continued to grow, to promote the growth of the overall lending business.

Looking forward to 2022, it is predicted that the Federal Reserve will start raising interest rates in March, which will be positive for banks. It is expected that bank deposits will increase, and the continuous return of Taiwanese businessmen and the government's promotion (three major plans to invest in Taiwan) will drive commercial use. The development of real estate lending also pays attention to the interest spread income of the banking industry, but still should pay attention to the risks arising from the overall international political and economic situation and uncertainties such as the epidemic in the future.

2. 2021 Operating Results and Main Business Status

With the joint effort by all employees of the Bank in 2021, good performance has been demonstrated in terms of various operational benchmarks. In terms of profitability, the 2021 net profit after tax is NT\$4.464 Billion. The earnings per share after tax (EPS) is NT\$1.21. Total asset rate of return (ROA) is 0.57%. Net value rate of return (ROE) is 7.56%. In terms of asset quality, the overdue lending ratio is 0.10%. Bad debt coverage ratio is 1.81.31%. Asset quality is maintained at a good level.

For years, the Bank has continuously developed different businesses with stable growth and under an operational strategy of in-depth local efforts. On 8 December 2021, the long-term and short-term credit of the Bank was rated "twA+/twA-1" by Taiwan Ratings Corporation. also expects that the Bank should be able to maintain its solid corporate foundation in consumer finance business, satisfactory asset quality, and reasonable funding sources and liquidity structure during the aforementioned period. Below is a summary report on the operational status of the Bank's main businesses in 2021:

(1) Deposit

The balance of Taiwan's foreign currency deposits at the end of 2021 was NT\$677.5 billion, an increase of NT\$63.6 billion from the NT\$613.9 billion at the end of 2020, with a growth rate of 10.36%. In terms of deposit structure, demand deposit balance was NT\$364.7 billion, accounting for 53.83% of the total deposit ratio, and time deposit balance was NT\$312.8billion, accounting for 46.17% of the total deposit ratio.

(2) Lending

The balance of loans at the end of 2021 was NT\$498.8billion, an increase of NT\$70.1 billion from NT\$428.7billion at the end of 2020, with a growth rate of 16.35%. Among them, guaranteed loans amounted to NT\$392.1 billion, accounting for 78.61% of total loans; unsecured loans amounted to NT\$106.7 billion, accounting for 21.39% of total loans.

(3) Credit Card

1. Actively cultivate online shopping, digital and people's livelihood consumption channels (such as supermarkets, supermarkets, etc.), operate Federal Day activities, steadily increase the amount of bills, and plan instalment activities (such as special stores and tax and fee instalments, etc.) in order to grasp the market demand. Increase the effective card rate; in 2021, under the influence of the three-level vigilance of the epidemic, the total credit card transaction amount reached NT\$101.6 billion for the first time, exceeding NT\$100 billion for the first time, an increase of 3% compared with 2020.
 2. Continue to promote LINE POINTS, which attracts the love of young people by relying on the point card, as the main feedback activity, drive the younger generation of card users, enhance brand awareness, optimize the function and convenience of online card application, and increase the proportion of online card application based on the premise of consumer experience, thereby saving the cost of incoming documents and labor operations; in addition, in response to the trend of pure online banking and non-cash payment in the market, the Federal Reliance Card integrates the bank's resources and links it with the New New Bank digital account, such as automatic deduction activities, etc. Cross-selling and customer acquisition benefits, and expand new customer groups, continue to grasp the development of the emerging mobile payment market, successively provide customers with a safer and more convenient mobile payment experience, consolidate credit card customer loyalty, and strengthen market competitiveness, as of December 2021 Credit card circulation The number of cards is 2,255,449 cards.
 3. In response to the government's promotion of green and sustainable environmental reduction and carbon reduction, the "Federal Green Card" is issued, which is the first credit card in the industry to issue both environmentally friendly material cards and virtual cards, building a sustainable green financial ecosystem, and encouraging cardholders to spend green and improve The Bank's social image, and in response to the advent of the new normal life after the epidemic, issued the "Happiness M Card" as an all-round life card, which not only led the world's first issuance of special chip embedded technology, but also enhanced information security protection. Travel back to the rights and interests, and create a new benchmark for Anxin International Travel!
- (4) Fortune Management
- In 2021, wealth management households grew by 5.95% compared with 2020, and the average monthly balance of total management assets grew by 6.18% compared with 2020. The part of operating income affected by the epidemic decreased by 22% compared with last year. The Bank provides more financial products, augments specific money trusts and insurance content, and increases overall financial management revenue.
- (5) Operating Performance
- In 2021, the net interest income was NT\$8.674 billion, the net income other than interest was NT\$5.491 billion, and the total net income was NT\$14.165 billion. After deducting the net provision for bad debts of NT\$777 million and operating expenses of NT\$8.227 billion, the pre-tax net profit was NT\$5.162 billion, and net profit after tax was NT\$4.464 billion.
- (6) Sustainable development of enterprises
- In order to fulfill corporate social responsibilities and implement the sustainable development of ESG enterprises, the Bank's main specific actions in 2021 include implementing environmental and ecological protection, participating in the issuance of green cards for "green power generation", and adopting local conservation animals

such as stone tigers and ring-necked pheasants; To implement social care and assistance, the Bank participated in donating emergency incidents such as the derailment of the Taiwan Railway Taroko and the Kaohsiung City-Central Fire, as well as medical and epidemic prevention resources from the Shuangbei Municipal Government; and worked with the Commonwealth Cultural and Educational Foundation to promote Taiwan's oil painting art, holding Commonwealth art competitions and art Tour exhibition, and co-launched the "Let's Make Happiness" charity donation platform to help the disadvantaged in society; attaching importance to corporate governance, the Bank continues to strengthen internal audit and internal control, legal compliance, risk management and information security operations, and implement fair hospitality and financial management Remarkable progress awards will be assessed.

3.2022 Operational Plan and Development Guidelines by Business

(1) Actively expand the scale of business based on the competitive innovative services; in terms of business purposes, adhere to the spirit of service by persistence; establish a long-term relationship with the customers; and create a win-win value:

1. Deposits:

- (1). Evaluate the establishment of new off-bank ATMs, expand service bases, and enhance the expansion of deposit business.
- (2). Continue to expand the deposit solicitation and business with the bank's vendors.
- (3). Business marketing plan (acceptance (subsidy) project of special credit card stores, Anyang trust business) to develop new customer sources and deposits.
- (4). Strengthen various deposit preferential interest rate projects, solicit customer deposits, and increase the scale of deposits.

2. Enterprise and foreign exchange business:

- (1). Strengthen the proportion of self-use financing of industrial and commercial enterprises, and gradually adjust the credit structure of the existing enterprise financial business.
- (2). In order to actively expand the MIT factory loan business, the "MIT Ten Billion Battle" plan has been implemented, aiming to expand domestic enterprises that are actually engaged in production, manufacturing, R&D and technological competition in Taiwan, and hopes to win financial flows and derivatives through credit transactions. Deposits, salary transfers, financial management and other business transactions, and the MIT plant loan business is included in the evaluation scope of the branch KPI and AO personnel assessment.
- (3). Actively undertake stock financing loans guaranteed by high-quality stocks rated 1-4 by TCRI, and promote the credit business for directors, supervisors or major shareholders of such high-quality enterprises, and plan to provide a list of high-quality enterprises with low quality ratio of directors and supervisors. The branch will refer to it and set the competition target and incentive measures. In addition, in order to attract customers to re-lending, the interest rate of the project can also be submitted after evaluation with the receipt from the industry.
- (4). Under risk control, efforts are made to improve profitability. The measures to be adopted to improve profitability are as follows:
 - i. Appropriately increase fee income for complex transactions, high operating costs or Bridge Loan credit cases.
 - ii. In response to the credit granting cases where real estate is guaranteed or strengthened creditor's rights from 2021 onwards, the loan ratio method

- (LTV) will be adopted to accrue capital, and for cases that apply higher risk weights, a higher interest rate will be adopted for pricing.
- iii. Strive for cash flow and various business transactions through credit transactions to increase overall profitability.
- (5). Speed up the review of "Type A Guarantee Cases" and "MIT Projects".
 - (6). Accelerate the cultivation of enterprise financial business personnel to respond to the growth of enterprise financial business and the plan to convert consumer financial branches into enterprise financial branches.
 - (7). The credit extension integration system (LIS) optimizes and continuously introduces the credit collection process and related review documents.
 - (8). In order to integrate human resources (enterprise consumer finance OP personnel and OP supervisors) and reduce operational risks, plan the centralized operation of enterprise finance business appropriation.
 - (9). Develop foreign exchange business customers, expand import and export and foreign exchange business to enhance the Bank's foreign exchange niche and market share.
 - (10). Actively participate in high-quality leading enterprises and international syndicated loan cases guaranteed by the state or government agencies, and establish the professionalism and experience of hosting international syndicated loan management banks.
 - (11). Regularly review and update the content of overseas credit guarantees, increase debt protection through overseas credit guarantee funds, and assist branch case promotion.
 - (12). Cultivate enterprise financial AO assistants with foreign exchange majors to facilitate the promotion of foreign exchange business.
3. Consumer Finance:
- (1). Continue to focus on and deeply cultivate high-quality customers, grasp customer demand trends, and consolidate existing customers; provide customized projects for different groups to develop new customer groups.
 - (2). Actively recruit new recruits or self-train credit AO personnel to increase business volume.
 - (3). Through the establishment of the big data model to analyze the customer group, launch the project marketing according to the potential customer group of the data analysis, increase the opportunities for new business exchanges, and establish multiple business channels and complete services.
 - (4). Continue to expand the online loan optimization function, enhance the digital channel loan service, increase the young customer group or digital customer group, and optimize the physical channel (branch and center) loan service, so as to achieve the comprehensive promotion of the virtual and real channel. And link project loan programs for specific groups and specific seasons.
 - (5). Increase cross-industry alliances and provide digital loans through life scenarios.
 - (6). Consolidate the new car loan business, increase the project cooperation with car dealers to increase the contract volume; moderately relax the ratio and interest rate of used car purchase and original car loan, and continue to expand the business scale.
4. Credit Card:
- (1) Continue to invest in the promotion of Reliance Cards, improve cross-selling of business across the bank, increase business opportunities for new depositors,

- micro-credit income and insurance income, etc., and issue new cards for different consumer groups, strive for external cooperation card issuance opportunities, develop new customers, increase Market visibility and volume.
- (2) Committed to electronic services, such as automatic services such as LINE billing, LINE BC binding, online card issuance business promotion, etc., to improve customer online services and save related costs.
 - (3) In response to the increasing popularity of mobile payment, in addition to using the current key channels to promote our credit cards, we actively increase the number of customer bindings to increase the frequency of mobile cards, and provide customers with a better user experience. The Bank's APP credit card area is planned A comprehensive financial digital APP platform, such as: one-click card binding, new functions for customer self-management, etc.
 - (4) Continue to expand online special stores and chain-type merchants, and cooperate with branches to explore surrounding merchants to increase the penetration of acquiring business.
 - (5) The credit card consumption promotion strategy focuses on online shopping and digital consumption, and deeply cultivates recurring consumption such as supermarkets and supermarkets. It also observes market consumption trends, and plans full-amount or instalment promotion activities according to channels to steadily increase the amount of spending.
5. Wealth management, insurance agency and trust business:
- (1) In order to provide a friendly financial environment and increase the convenience of customer transactions, plan the online transaction management system, build the function of the air management system, and improve the operation efficiency of customer management.
 - (2) Actively expand the proportion of post-collection fund business and expand the business scale of specific money trust business to increase business income.
 - (3) Strengthen customer inventory tracking management and effectively maintain customer asset allocation adjustment.
 - (4) In order to provide customers with high-quality and fast insurance service, the Bank will develop mobile insurance business, create a friendly financial environment, and improve the Bank's operating efficiency in the future.
 - (5) In response to the changing trend of Taiwan's aging and low birthrate family demographics, continue to introduce insurance products related to protection, investment and pension plans to meet customers' all-round financial needs and increase fee income.
 - (6) Train trust seeds to expand trust 2.0 business, integrate the Bank's financial products with a trust structure, and provide customers with more diversified financial services.
 - (7) Expand the service scope of Anyang Trust, continue to develop cross-industry alliances, integrate relevant channels for the elderly, and meet their needs in all aspects.
6. Digital financial business:
- (1) Personal Electronic Banking Services
With user experience as the core, the Bank continued to strengthen the functions and user interface of personal online banking and mobile banking, optimized various transaction processes, and added online

financial services and application functions to enhance the competitiveness of e-banking services and the overall utilization rate.

(2) Corporate Internet Banking Services

Improve corporate online banking service functions, increase large foreign exchange transactions, online letter of credit issuance and wealth management and other transactions, provide a more convenient corporate cash flow trading platform, so that corporate customers can effectively grasp the company's internal funds and transactions. The latest information, and actively promote the autonomy of online financial transaction management for corporate customers to improve operational efficiency and create competitive advantages.

(3) New New Bank Digital Banking Services

A. Continue to expand and strengthen online service functions, integrate various online financial services such as credit, credit card application, securities account opening and wealth management investment, and coordinate with video chat, over-the-counter verification and digital account opening authority, and continue to optimize the online account opening process. , and increase offline over-the-counter transactions.

B. Use digital banks to increase the efficiency of virtual and real integration services, strengthen business cooperation with non-traditional financial service bases such as Laierfu supermarkets, LINE Pay all-in-one card, campus payment, etc., and link with online and offline cash flow services.

C. Aiming at the promotion of the young digital group, integrate the resources of the whole bank and various financial products, and increase the number of accounts and business operations through promotion strategies such as business discounts, strategic partner cooperation with different industries and cross-marketing.

(4) Strengthen the marketing application of the community and various information platforms

Strengthen community management, improve the integration and application of various information platforms such as LINE BC, SMS, e-DM, etc., and combine new functions related to LINE API, continue to optimize and add personalized message notifications, marketing promotion and other service applications.

(5) Integration and application of new digital financial services

A. Build a cross-industry sales big data prediction model for personal gold and enterprise gold, and strengthen the application and implementation of the model to facilitate cross-penetration of customers across businesses.

B. The customer service system introduces intelligent customer service and voice print recognition system to reduce the cost of dedicated service and improve service efficiency and quality.

C. Develop the customer service video function, which can enable or set important permissions for digital deposit customers online, and strengthen the digital function.

D. Cooperate with the policy evaluation of the competent authority to build various cross-system services (such as My-Data digital service personalization, Open Banking Open Banking API and other services).

7. Securities Business:

(1) Continue to provide securities online account opening services and promote

online business.

(2) Actively promote the electronic ordering business and increase the proportion of electronic transactions.

(3) Actively increase market share and increase sales staff to increase performance.

8. Others:

(1) In accordance with the relevant regulations of the competent authority, conduct financial disclosure of climate risks in the Bank's ESG sustainability report before the end of June 2023.

(2) In terms of investment business, actively cultivate financial transaction talents, carefully select investment targets, and implement disciplinary requirements for risk control related to capital operations, so as to contribute to the Bank's surplus.

(3) Make efforts to improve the profitability of various assets, strengthen risk management, and maintain good asset quality.

(2) Channel Development

1. The Bank has a total of 90 domestic business locations, and continues to actively expand overseas business territory and expand operations. Currently, the Hanoi office has been approved by the Central Bank of Vietnam and opened in April 2020 to provide customers with international financial services.

2. In order to provide customers with more convenient services, the bank has actively expanded out-of-bank ATMs in recent years, hoping to enhance the bank's brand image and popularity through the extension of channels. In 2021, the bank has installed a total of 865 ATMs.

(3) The Bank's 2022 Estimated Operational Targets

1.

| Type of Business | 2022 Target |
|--|---|
| Deposit (including foreign currencies) | Average balance of NT\$717.2 Billion at the end of the year |
| Lending (excluding credit card) | Average balance of NT\$529.3 Billion at the end of the year |
| Foreign Exchange | Annual transaction of US\$8.302 Billion |

2. Improvement of operating performance related benchmarks:

Including the over-capital ratio below the industry average and maintaining the capital level in accordance with the BASL regulations to meet capital ratio standards, and maintaining a stable source of funds and high-quality liquid assets to meet the net stable capital ratio (NSFR) and liquidity Coverage ratio (LCR) standard.

With the supervision of all shareholders and the effort of all employees, we hope to achieve all operating targets and create even more outstanding performance to answer to the expectations of the shareholders and the society. We hope that all shareholders will continue to encourage and guide the Bank.

Chairman: Lin Jeff Manager: Xu Weiwen Accounting Head: Lu Wenjuan

Union Bank of Taiwan

Audit Committee Audit Report

The Bank's 2021 consolidated financial report is prepared in accordance with the standards for the preparation of financial reports for publicly issued banks, the standards for the preparation of financial reports for securities firms, and the international financial reporting standards, international accounting standards, interpretations and interpretation announcements approved and promulgated by the Financial Regulatory Commission. 2021 The annual individual financial report is prepared in accordance with the financial report preparation standards of publicly issued banks and the financial report preparation standards of securities firms, and has been checked by Deloitte & Touche Huang Jui-Chan and Yang Cheng-Hsiu accountants After the review by the Audit Committee, After review by the Audit Committee, it is deemed that there is no discrepancy. In accordance with the provisions of Articles 14-4 and 36 of the Securities and Exchange Act, a report is prepared, please check .

To

Union Bank of Taiwan 2022 General Shareholder Meeting

Union Bank of Taiwan

Chairman of Audit Committee: Li Guo Chang

7 March 2022

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Union Bank of Taiwan

Attachment 3

Opinion

We have audited the accompanying financial statements of Union Bank of Taiwan (the "Bank"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks and Regulations Governing the Preparation of Financial Reports by Securities Firms.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Bank's financial statements for the year ended December 31, 2021 are described as follows:

Assessment of the Impairment of Discounts and Loans

As of December 31, 2021, the net amount of discounts and loans of the Bank was approximately 60% of total assets, and was considered material to the financial statements as a whole. Refer to Note 14 to the financial statements. The Bank's management perform loan impairment assessment that involves making critical judgments on accounting estimates and assumptions; therefore, we determined allowance for possible losses on discounts and loans as a key audit matter for the year ended December 31, 2021.

The Bank's management periodically perform loan impairment assessment that requires making judgments to measure loss allowance at an amount equal to 12-month expected credit losses or lifetime expected credit losses. Also, the allowance provision should comply with the classification of credit assets required by the relevant regulations on making provision issued by the authorities. For the accounting policies and relevant information on loan impairment assessment, refer to Notes 4, 5 and 14 to the financial statements.

The main audit procedures we performed in response to certain aspects of the key audit matter described above were as follows:

1. We obtained an understanding of the relevant internal controls in respect of the Bank's loan impairment assessment and tested the operating effectiveness of such controls.
2. We tested the classification of credit assets in accordance with relevant regulations issued by management and authorities. In addition, we calculated the required provision of allowance for

possible losses on loans in order to assess whether the recognized amount complied with the regulations.

3. We assessed the reasonableness and consistency of the methodology applied by management in the calculation of expected credit losses; we tested the completeness of the loans and the accuracy of the calculation of expected credit losses for selected loans.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks and Regulations Governing the Preparation of Financial Reports by Securities Firms, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including

the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Jui-Chan Huang and Chen-Hsiu Yang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 28, 2022

UNION BANK OF TAIWAN

BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

| | 2021 | | 2020 | |
|---|-----------------------|------------|-----------------------|------------|
| ASSETS | Amount | % | Amount | % |
| CASH AND CASH EQUIVALENTS | \$ 12,822,394 | 2 | \$ 8,141,334 | 1 |
| DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS | 29,553,111 | 4 | 24,325,798 | 3 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | 45,833,426 | 6 | 33,967,730 | 5 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME | 60,672,055 | 7 | 52,807,395 | 7 |
| INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST | 77,431,542 | 9 | 90,697,662 | 12 |
| SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL | 57,688,435 | 7 | 63,872,973 | 9 |
| RECEIVABLES, NET | 25,351,438 | 3 | 22,703,290 | 3 |
| CURRENT TAX ASSETS | - | - | 44,382 | - |
| DISCOUNTS AND LOANS, NET | 493,750,735 | 60 | 424,304,969 | 57 |
| INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD, NET | 6,523,042 | 1 | 5,863,071 | 1 |
| OTHER FINANCIAL ASSETS, NET | 1,605,569 | - | 4,471,836 | 1 |
| PROPERTY AND EQUIPMENT, NET | 7,913,431 | 1 | 7,892,451 | 1 |
| RIGHT-OF-USE ASSETS | 1,590,101 | - | 1,639,260 | - |
| INTANGIBLE ASSETS | | | | |
| Goodwill | 1,985,306 | - | 1,985,307 | - |
| Computer software | <u>182,782</u> | <u>-</u> | <u>170,823</u> | <u>-</u> |
| Total intangible assets | 2,168,088 | - | 2,156,130 | - |
| DEFERRED TAX ASSETS | 706,598 | - | 636,906 | - |
| OTHER ASSETS, NET | <u>2,970,253</u> | <u>-</u> | <u>2,751,600</u> | <u>-</u> |
| TOTAL | <u>\$ 826,580,218</u> | <u>100</u> | <u>\$ 746,276,787</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS | \$ 9,296,313 | 1 | \$ 11,942,863 | 2 |
| DUE TO THE CENTRAL BANK AND OTHER BANKS | 6,741,390 | 1 | 3,786,720 | 1 |
| FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS | 495,421 | - | 206,002 | - |
| SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE | 51,279,756 | 6 | 44,428,176 | 6 |
| PAYABLES | 8,154,976 | 1 | 5,430,396 | 1 |
| CURRENT TAX LIABILITIES | 411,559 | - | 106,676 | - |
| DEPOSITS AND REMITTANCES | 672,825,605 | 82 | 608,269,514 | 81 |
| BANK DEBENTURES | 7,700,000 | 1 | 7,200,000 | 1 |
| OTHER FINANCIAL LIABILITIES | 6,446 | - | 115,361 | - |
| PROVISIONS | 361,874 | - | 244,939 | - |
| LEASE LIABILITIES | 1,576,632 | - | 1,621,207 | - |
| DEFERRED TAX LIABILITIES | 1,604,370 | - | 1,635,842 | - |
| OTHER LIABILITIES | <u>990,565</u> | <u>-</u> | <u>1,098,256</u> | <u>-</u> |
| Total liabilities | <u>761,444,907</u> | <u>92</u> | <u>686,085,952</u> | <u>92</u> |
| EQUITY | | | | |
| Share capital | | | | |
| Ordinary shares | 32,952,187 | 4 | 30,933,688 | 4 |
| Preference shares | <u>2,000,000</u> | <u>-</u> | <u>2,000,000</u> | <u>-</u> |
| Total share capital | <u>34,952,187</u> | <u>4</u> | <u>32,933,688</u> | <u>4</u> |
| Capital surplus | <u>8,051,984</u> | <u>1</u> | <u>8,040,035</u> | <u>1</u> |
| Retained earnings | | | | |
| Legal reserve | 8,924,700 | 1 | 7,883,630 | 1 |
| Special reserve | 627,440 | - | 627,440 | - |
| Unappropriated earnings | <u>6,932,579</u> | <u>1</u> | <u>4,854,972</u> | <u>1</u> |
| Total retained earnings | <u>16,484,719</u> | <u>2</u> | <u>13,366,042</u> | <u>2</u> |
| Other equity | <u>5,646,421</u> | <u>1</u> | <u>5,851,070</u> | <u>1</u> |
| Total equity | <u>65,135,311</u> | <u>8</u> | <u>60,190,835</u> | <u>8</u> |
| TOTAL | <u>\$ 826,580,218</u> | <u>100</u> | <u>\$ 746,276,787</u> | <u>100</u> |

UNION BANK OF TAIWAN

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2021 | | 2020 | | Percentag e Increase (Decrease) |
|---|-------------------|------------|-------------------|------------|---------------------------------------|
| | Amount | % | Amount | % | % |
| NET INTEREST | | | | | |
| Interest revenue | \$ 11,537,639 | 81 | \$ 11,858,192 | 98 | (3) |
| Interest expense | <u>2,863,330</u> | <u>20</u> | <u>4,158,730</u> | <u>34</u> | (31) |
| Net interest | <u>8,674,309</u> | <u>61</u> | <u>7,699,462</u> | <u>64</u> | 13 |
| NET REVENUE OTHER THAN INTEREST | | | | | |
| Commissions and fee revenue, net | 3,064,775 | 22 | 2,869,110 | 24 | 7 |
| Gain on financial assets and liabilities at fair value through profit or loss | 557,486 | 4 | 1,710,809 | 14 | (67) |
| Realized gain on financial assets at fair value through other comprehensive income | 875,982 | 6 | 407,220 | 3 | 115 |
| Share of profit of subsidiaries and associates | 79,960 | 1 | 25,788 | - | 210 |
| Foreign exchange gain (loss), net | 683,542 | 5 | (946,549) | (8) | 172 |
| Reversal of impairment loss (impairment loss) on assets | (90,697) | (1) | 128,860 | 1 | (170) |
| Securities brokerage fee revenue, net | 300,193 | 2 | 171,805 | 2 | 75 |
| Loss on disposal of properties and equipment, net | (1,193) | - | (7,119) | - | (83) |
| Other noninterest gain, net | <u>20,858</u> | <u>-</u> | <u>19,109</u> | <u>-</u> | 9 |
| TOTAL NET REVENUE | <u>14,165,215</u> | <u>100</u> | <u>12,078,495</u> | <u>100</u> | 17 |
| PROVISIONS | | | | | |
| Provision of allowance for doubtful accounts and provision for losses on commitments and guarantees | <u>776,891</u> | <u>5</u> | <u>267,216</u> | <u>2</u> | 191 |
| OPERATING EXPENSES | | | | | |
| Employee benefit expense | 3,979,844 | 28 | 3,695,508 | 31 | 8 |
| Depreciation and amortization | 803,620 | 6 | 753,311 | 6 | 7 |
| Others | <u>3,443,049</u> | <u>24</u> | <u>3,512,000</u> | <u>29</u> | (2) |

UNION BANK OF TAIWAN

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2021 | | 2020 | | Percentage Increase (Decrease) |
|---|------------------|-----------|------------------|------------|-----------------------------------|
| | Amount | % | Amount | % | % |
| Total operating expenses | <u>8,226,513</u> | <u>58</u> | <u>7,960,819</u> | <u>66</u> | 3 |
| INCOME BEFORE INCOME TAX | 5,161,811 | 37 | 3,850,460 | 32 | 34 |
| INCOME TAX EXPENSE | <u>698,043</u> | <u>5</u> | <u>408,751</u> | <u>4</u> | 71 |
| NET INCOME | <u>4,463,768</u> | <u>32</u> | <u>3,441,709</u> | <u>28</u> | 30 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | | |
| Remeasurement of defined benefit plans | (940) | - | 11,842 | - | (108) |
| Unrealized gain on investments in equity instrument at fair value through other comprehensive income | 1,772,006 | 12 | 812,340 | 7 | 118 |
| Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method | 540,371 | 4 | (39,030) | - | 1,485 |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | <u>34,734</u> | <u>-</u> | <u>(109,493)</u> | <u>(1)</u> | 132 |
| Items that will not be reclassified subsequently to profit or loss, net of income tax | <u>2,346,171</u> | <u>16</u> | <u>675,659</u> | <u>6</u> | 247 |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Exchange differences on translation of the financial statements of foreign operations | (361,067) | (3) | (625,885) | (5) | (42) |

UNION BANK OF TAIWAN

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | <u>2021</u> | | <u>2020</u> | | <u>Percentage Increase (Decrease)</u> |
|---|---------------------|-------------|---------------------|-----------|---|
| | <u>Amount</u> | <u>%</u> | <u>Amount</u> | <u>%</u> | <u>%</u> |
| Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method | (256,536) | (2) | 14,117 | - | (1,917) |
| Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income | (918,605) | (6) | 1,005,636 | 8 | (191) |
| Income tax relating to items that may be reclassified subsequently to profit or loss | <u>72,213</u> | <u>1</u> | <u>125,177</u> | <u>1</u> | (42) |
| Items that may be reclassified subsequently to profit or loss, net of income tax | <u>(1,463,995)</u> | <u>(10)</u> | <u>519,045</u> | <u>4</u> | (382) |
| Other comprehensive income for the year, net of income tax | <u>882,176</u> | <u>6</u> | <u>1,194,704</u> | <u>10</u> | (26) |
| TOTAL COMPREHENSIVE INCOME | <u>\$ 5,345,944</u> | <u>38</u> | <u>\$ 4,636,413</u> | <u>38</u> | 15 |
| EARNINGS PER SHARE (NEW TAIWAN DOLLARS) | | | | | |
| Basic | <u>\$1.21</u> | | <u>\$0.90</u> | | |
| Diluted | <u>\$1.21</u> | | <u>\$0.90</u> | | |

UNION BANK OF TAIWAN

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

| | Share Capital | | | Capital Surplus | Retained Earnings | | | | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Other Equity Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Total | Total Equity |
|--|----------------------|---------------------|----------------------|---------------------|---------------------|-------------------|-------------------------|----------------------|---|--|---------------------|----------------------|
| | Ordinary Shares | Preference Shares | Total | | Legal Reserve | Special Reserve | Unappropriated Earnings | Total | | | | |
| BALANCE AT JANUARY 1, 2020 | \$ 28,844,553 | \$ 2,000,000 | \$ 30,844,553 | \$ 8,035,484 | \$ 6,875,793 | \$ 627,440 | \$ 5,180,139 | \$ 12,683,372 | \$ (604,632) | \$ 5,289,524 | \$ 4,684,892 | \$ 56,248,301 |
| Appropriation of the 2019 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | - | - | 1,007,837 | - | (1,007,837) | - | - | - | - | - |
| Cash dividends on common shares | - | - | - | - | - | - | (288,446) | (288,446) | - | - | - | (288,446) |
| Stock dividends on common shares | 2,019,119 | - | 2,019,119 | - | - | - | (2,019,119) | (2,019,119) | - | - | - | - |
| Cash dividends on preference shares | - | - | - | - | - | - | (480,000) | (480,000) | - | - | - | (480,000) |
| Net income for the year ended December 31, 2020 | - | - | - | - | - | - | 3,441,709 | 3,441,709 | - | - | - | 3,441,709 |
| Other comprehensive income for the year ended December 31, 2020 | - | - | - | - | - | - | 6,144 | 6,144 | (486,591) | 1,675,151 | 1,188,560 | 1,194,704 |
| Share-based payment | 70,016 | - | 70,016 | 4,551 | - | - | - | - | - | - | - | 74,567 |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | - | - | 22,382 | 22,382 | - | (22,382) | (22,382) | - |
| BALANCE AT DECEMBER 31, 2020 | 30,933,688 | 2,000,000 | 32,933,688 | 8,040,035 | 7,883,630 | 627,440 | 4,854,972 | 13,366,042 | (1,091,223) | 6,942,293 | 5,851,070 | 60,190,835 |
| Appropriation of the 2020 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | - | - | 1,041,070 | - | (1,041,070) | - | - | - | - | - |
| Cash dividends on preference shares | - | - | - | - | - | - | (480,000) | (480,000) | - | - | - | (480,000) |
| Stock dividends on common shares | 1,951,916 | - | 1,951,916 | - | - | - | (1,951,916) | (1,951,916) | - | - | - | - |
| Net income for the year ended December 31, 2021 | - | - | - | - | - | - | 4,463,768 | 4,463,768 | - | - | - | 4,463,768 |
| Other comprehensive income for the year ended December 31, 2021 | - | - | - | - | - | - | 228 | 228 | (545,390) | 1,427,338 | 881,948 | 882,176 |
| Share-based payment | 66,583 | - | 66,583 | 5,659 | - | - | - | - | - | - | - | 72,242 |
| Changes in ownership interests in subsidiaries | - | - | - | 6,290 | - | - | - | - | - | - | - | 6,290 |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | - | - | 1,086,597 | 1,086,597 | - | (1,086,597) | (1,086,597) | - |
| BALANCE AT DECEMBER 31, 2021 | <u>\$ 32,952,187</u> | <u>\$ 2,000,000</u> | <u>\$ 34,952,187</u> | <u>\$ 8,051,984</u> | <u>\$ 8,924,700</u> | <u>\$ 627,440</u> | <u>\$ 6,932,579</u> | <u>\$ 16,484,719</u> | <u>\$ (1,636,613)</u> | <u>\$ 7,283,034</u> | <u>\$ 5,646,421</u> | <u>\$ 65,135,311</u> |

UNION BANK OF TAIWAN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

| | 2021 | 2020 |
|---|--------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 5,161,811 | \$ 3,850,460 |
| Adjustments for: | | |
| Depreciation expense | 717,519 | 677,907 |
| Amortization expense | 86,101 | 75,404 |
| Expected credit losses/provision of allowance for doubtful accounts | 776,891 | 267,216 |
| Gain on disposal of financial assets at fair value through profit or loss | (503,731) | (1,656,347) |
| Interest expense | 2,863,330 | 4,158,730 |
| Interest revenue | (11,537,639) | (11,858,192) |
| Dividend income | (564,470) | (446,311) |
| Share of profit of subsidiaries and associates | (73,295) | (25,788) |
| Gain on disposal of associates | (6,665) | - |
| Loss on disposal of properties and equipment | 1,193 | 7,119 |
| Gain on disposal of investments | (365,267) | (15,371) |
| Impairment loss (reversed) recognized on financial assets | 22,479 | (122,109) |
| Loss on impairment of nonfinancial asset | 68,935 | - |
| Reversal of impairment losses on nonfinancial asset | (717) | (6,751) |
| Gain on disposal of collaterals | 240 | (256) |
| Changes in operating assets and liabilities | | |
| Due from the Central Bank and call loans to banks | (5,227,313) | (7,457,990) |
| Financial assets at fair value through profit or loss | (10,444,144) | (1,372,342) |
| Financial assets at fair value through other comprehensive income | (6,599,533) | (9,992,508) |
| Investments in debt instruments at amortized cost | 13,084,558 | 13,628,315 |
| Receivables | (2,499,589) | (2,391,120) |
| Discounts and loans | (70,149,182) | (38,232,449) |
| Other financial assets | 2,926,067 | (977,008) |
| Deposits from the Central Bank and other banks | (2,646,550) | 641,940 |
| Financial liabilities at fair value through profit or loss | (628,402) | (784,246) |
| Securities sold under repurchase agreements | 6,851,580 | (20,949,260) |
| Payables | 2,827,518 | 1,319,242 |
| Deposits and remittances | 64,556,091 | 74,613,551 |
| Other financial liabilities | (108,915) | 115,250 |
| Provision for employee benefits | (940) | 9,474 |
| Other liabilities | - | 100 |
| Cash generated from (used in) operations | (11,412,039) | 3,076,660 |
| Interest received | 11,575,870 | 12,008,785 |
| Dividend received | 586,800 | 451,540 |
| Interest paid | (2,894,026) | (4,492,295) |
| Income tax paid | (342,995) | (673,949) |
| Net cash generated from (used in) operating activities | <u>(2,486,390)</u> | <u>10,370,741</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of associates | (357,844) | (500,000) |

UNION BANK OF TAIWAN

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

| | 2021 | 2020 |
|---|-----------------------------|-----------------------------|
| Disposal of associates | 45,007 | - |
| Payments for properties and equipment | (345,503) | (250,161) |
| Proceeds from disposal of properties and equipment | - | 20 |
| Increase in settlement fund | - | 616 |
| Decrease in settlement fund | (3,386) | - |
| Increase in refundable deposits | (248,099) | - |
| Decrease in refundable deposits | - | 299,631 |
| Payments for intangible assets | (50,332) | (34,797) |
| Proceeds from disposal of collaterals | 477 | 7,007 |
| Decrease in other assets | <u>32,832</u> | <u>179,962</u> |
| Net cash used in investing activities | <u>(926,848)</u> | <u>(297,722)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in due to Central Bank and other banks | 2,954,670 | 3,786,720 |
| Proceeds from issue of bank debentures | 3,000,000 | - |
| Repayments of bank debentures | (2,500,000) | (3,000,000) |
| Proceeds from guarantee deposits received | 4,164 | 11,412 |
| Repayment of the principal portion of lease liabilities | (437,403) | (409,986) |
| Decrease in other liabilities | - | 170,189 |
| Increase in other liabilities | (133,357) | - |
| Dividends paid | <u>(480,000)</u> | <u>(768,446)</u> |
| Net cash generated from (used in) financing activities | <u>2,408,074</u> | <u>(210,111)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | | |
| | <u>(498,314)</u> | <u>(623,188)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (1,503,478) | 9,239,720 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>72,014,307</u> | <u>62,774,587</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 70,510,829</u> | <u>\$ 72,014,307</u> |

UNION BANK OF TAIWAN

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

Reconciliation of the amounts in the statements of cash flows with the equivalent items reported in the balance sheets as of December 31, 2021 and 2020:

| | December 31 | |
|---|----------------------|----------------------|
| | 2021 | 2020 |
| Cash and cash equivalents in balance sheets | \$ 12,822,394 | \$ 8,141,334 |
| Due from the Central Bank and call loans to banks that meet the definition of cash and cash equivalents in IAS 7 “Cash Flow Statements” | - | - |
| Securities purchased under agreements to resell that meet the definition of cash and cash equivalents in IAS 7 | <u>57,688,435</u> | <u>63,872,973</u> |
| Cash and cash equivalents in statements of cash flows | <u>\$ 70,510,829</u> | <u>\$ 72,014,307</u> |

NDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Union Bank of Taiwan

Opinion

We have audited the accompanying consolidated financial statements of Union Bank of Taiwan (the "Bank") and its subsidiaries (collectively, the "Company"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Company's consolidated financial statements for the year ended December 31, 2021 are described as follows:

Assessment of the Impairment of Discounts and Loans

As of December 31, 2021, the net amount of discounts and loans of the Company was approximately 59% of total consolidated assets, and was considered material to the financial statements as a whole. Refer to Note 14 to the consolidated financial statements. The Company's management perform loan impairment assessment that involves making critical judgments on accounting estimates and assumptions; therefore, we determined allowance for possible losses on discounts and loans as a key audit matter for the year ended December 31, 2021.

The Company's management periodically perform loan impairment assessment that requires making judgments to measure loss allowance at an amount equal to 12-month expected credit losses or lifetime expected credit losses. Also, the allowance provision should comply with the classification of credit assets required by the regulations on

making provision issued by the authorities.

For the accounting policies and relevant information on loan impairment assessment, refer to Notes 4, 5 and 14 to the consolidated financial statements.

The main audit procedures we performed in response to certain aspects of the key audit matter described above were as follows:

1. We obtained an understanding of the relevant internal controls in respect of the Bank's loan impairment assessment and tested the operating effectiveness of such controls.
2. We tested the classification of credit assets in accordance with relevant regulations issued by management and authorities. In addition, we calculated the required provision of allowance for possible losses on loans in order to assess whether the recognized amount complied with the regulations.
3. We assessed the reasonableness and consistency of the methodology applied by management in the calculation of expected credit losses; we tested the completeness of the loans and the accuracy of the calculation of expected credit losses for selected loans.

Other Matter

We have also audited the separate financial statements of Union Bank of Taiwan as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Jui-Chan Huang and Chen-Hsiu Yang.

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 28, 2022

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

| | 2021 | | 2020 | |
|---|-----------------------|------------|-----------------------|------------|
| | Amount | % | Amount | % |
| ASSETS | | | | |
| CASH AND CASH EQUIVALENTS | \$ 13,767,806 | 2 | \$ 8,961,438 | 1 |
| DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS | 29,553,111 | 4 | 24,325,798 | 3 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | 46,643,053 | 6 | 34,881,848 | 5 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME | 61,748,943 | 7 | 53,403,733 | 7 |
| INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST | 77,431,542 | 9 | 90,697,662 | 12 |
| SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL | 57,721,456 | 7 | 63,911,473 | 9 |
| RECEIVABLES, NET | 27,476,621 | 3 | 24,936,576 | 3 |
| CURRENT TAX ASSETS | 5,133 | - | 50,085 | - |
| DISCOUNTS AND LOANS, NET | 493,232,510 | 59 | 422,845,363 | 56 |
| INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD, NET | 1,993,160 | - | 1,536,989 | - |
| OTHER FINANCIAL ASSETS, NET | 1,681,562 | - | 4,549,698 | 1 |
| PROPERTY AND EQUIPMENT, NET | 9,967,221 | 1 | 7,925,277 | 1 |
| RIGHT-OF-USE ASSETS | 1,908,089 | - | 1,741,760 | - |
| INVESTMENT PROPERTIES, NET | 4,911,521 | 1 | 5,288,112 | 1 |
| INTANGIBLE ASSETS | | | | |
| Goodwill | 1,985,307 | - | 1,985,307 | - |
| Computer software | <u>193,019</u> | <u>-</u> | <u>181,030</u> | <u>-</u> |
| Total intangible assets | 2,178,326 | - | 2,166,337 | - |
| DEFERRED TAX ASSETS | 925,832 | - | 792,478 | - |
| OTHER ASSETS, NET | <u>10,443,260</u> | <u>1</u> | <u>9,543,375</u> | <u>1</u> |
| TOTAL | <u>\$ 841,589,146</u> | <u>100</u> | <u>\$ 757,558,002</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS | \$ 10,000,142 | 1 | \$ 12,481,114 | 2 |
| DUE TO THE CENTRAL BANK AND OTHER BANKS | 7,142,055 | 1 | 3,786,720 | 1 |
| FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS | 495,421 | - | 206,002 | - |
| SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE | 51,279,756 | 6 | 44,428,176 | 6 |
| PAYABLES | 8,519,964 | 1 | 5,594,014 | 1 |
| CURRENT TAX LIABILITIES | 451,475 | - | 121,567 | - |
| DEPOSITS AND REMITTANCES | 671,382,858 | 80 | 606,860,499 | 80 |
| BANK DEBENTURES | 7,700,000 | 1 | 7,200,000 | 1 |
| BONDS PAYABLE | 1,047,276 | - | 1,464,796 | - |
| PREFERRED STOCK LIABILITY | 371,500 | - | 524,000 | - |
| OTHER FINANCIAL LIABILITIES | 9,784,240 | 1 | 7,420,161 | 1 |
| PROVISIONS | 382,688 | - | 268,774 | - |
| LEASE LIABILITIES | 1,894,074 | - | 1,723,121 | - |
| DEFERRED TAX LIABILITIES | 1,675,426 | - | 1,696,935 | - |
| OTHER LIABILITIES | <u>3,597,202</u> | <u>1</u> | <u>3,589,711</u> | <u>-</u> |
| Total liabilities | <u>775,724,077</u> | <u>92</u> | <u>697,365,590</u> | <u>92</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK | | | | |
| Share capital | | | | |
| Ordinary shares | 32,952,187 | 4 | 30,933,688 | 4 |
| Preference shares | <u>2,000,000</u> | <u>-</u> | <u>2,000,000</u> | <u>-</u> |
| Total share capital | <u>34,952,187</u> | <u>4</u> | <u>32,933,688</u> | <u>4</u> |
| Capital surplus | <u>8,051,984</u> | <u>1</u> | <u>8,040,035</u> | <u>1</u> |
| Retained earnings | | | | |
| Legal reserve | 8,924,700 | 1 | 7,883,630 | 1 |
| Special reserve | 627,440 | - | 627,440 | - |
| Unappropriated earnings | <u>6,932,579</u> | <u>1</u> | <u>4,854,972</u> | <u>1</u> |
| Total retained earnings | <u>16,484,719</u> | <u>2</u> | <u>13,366,042</u> | <u>2</u> |
| Other equity | <u>5,646,421</u> | <u>1</u> | <u>5,851,070</u> | <u>1</u> |
| Total equity attributable to owners of the Bank | 65,135,311 | 8 | 60,190,835 | 8 |
| NON-CONTROLLING INTERESTS | <u>729,758</u> | <u>-</u> | <u>1,577</u> | <u>-</u> |
| Total equity | <u>65,865,069</u> | <u>8</u> | <u>60,192,412</u> | <u>8</u> |
| TOTAL | <u>\$ 841,589,146</u> | <u>100</u> | <u>\$ 757,558,002</u> | <u>100</u> |

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2021 | | 2020 | | Percentag e Increase (Decrease) |
|---|-------------------|------------|-------------------|------------|---------------------------------------|
| | Amount | % | Amount | % | % |
| NET INTEREST | | | | | |
| Interest revenue | \$ 11,635,599 | 70 | \$ 11,923,484 | 83 | (2) |
| Interest expense | <u>2,973,928</u> | <u>18</u> | <u>4,282,424</u> | <u>30</u> | (31) |
| Net interest | 8,661,671 | 52 | 7,641,060 | 53 | 13 |
| NET REVENUE OTHER THAN INTEREST | | | | | |
| Commissions and fee revenue, net | 3,054,372 | 18 | 2,820,473 | 19 | 8 |
| Gain on financial assets and liabilities at fair value through profit or loss | 589,123 | 4 | 1,771,015 | 12 | (67) |
| Realized gain on financial assets at fair value through other comprehensive income | 893,737 | 5 | 418,748 | 3 | 113 |
| Share of loss of associates | (7,490) | - | (50,493) | - | (85) |
| Foreign exchange gain (loss) | 674,680 | 4 | (1,006,456) | (7) | 167 |
| Reversal of impairment loss (impairment loss) on assets | (153,955) | (1) | 128,860 | 1 | (219) |
| Securities brokerage fee revenue, net | 460,999 | 3 | 320,764 | 2 | 44 |
| Rental revenue | 2,334,323 | 14 | 2,278,320 | 16 | 2 |
| Other noninterest gain, net | <u>181,313</u> | <u>1</u> | <u>108,071</u> | <u>1</u> | 68 |
| TOTAL NET REVENUE | <u>16,688,773</u> | <u>100</u> | <u>14,430,362</u> | <u>100</u> | 16 |
| PROVISIONS | | | | | |
| Provision of allowance for doubtful accounts and provision for losses on commitments and guarantees | <u>805,824</u> | <u>5</u> | <u>290,540</u> | <u>2</u> | 177 |
| OPERATING EXPENSES | | | | | |
| Employee benefit expense | 4,301,694 | 26 | 3,965,882 | 28 | 8 |
| Depreciation and amortization | 2,637,588 | 16 | 2,492,408 | 17 | 6 |
| Others | <u>3,733,423</u> | <u>22</u> | <u>3,739,857</u> | <u>26</u> | - |

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | 2021 | | 2020 | | Percentage Increase (Decrease) |
|--|---------------------|-----------|---------------------|-----------|-----------------------------------|
| | Amount | % | Amount | % | % |
| Total operating expenses | <u>10,672,705</u> | <u>64</u> | <u>10,198,147</u> | <u>71</u> | 5 |
| INCOME BEFORE INCOME TAX | 5,210,244 | 31 | 3,941,675 | 27 | 32 |
| INCOME TAX EXPENSE | <u>746,848</u> | <u>4</u> | <u>500,170</u> | <u>3</u> | 49 |
| CONSOLIDATED NET INCOME | <u>4,463,396</u> | <u>27</u> | <u>3,441,505</u> | <u>24</u> | 30 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | | |
| Remeasurement of defined benefit plans | 287 | - | 7,682 | - | (96) |
| Unrealized gain on investments in equity instruments at fair value through other comprehensive income | 2,311,402 | 14 | 776,641 | 6 | 198 |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | 34,489 | - | (108,661) | (1) | 132 |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Exchange differences on translation of the financial statements of foreign operations | (681,737) | (4) | (608,239) | (5) | 12 |
| Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income | (918,605) | (6) | 1,005,636 | 7 | (191) |
| Income tax relating to items that may be reclassified subsequently to profit or loss | <u>136,347</u> | <u>1</u> | <u>121,648</u> | <u>1</u> | 12 |
| Other comprehensive income for the year, net of income tax | <u>882,183</u> | <u>5</u> | <u>1,194,707</u> | <u>8</u> | (26) |
| TOTAL COMPREHENSIVE INCOME | <u>\$ 5,345,579</u> | <u>32</u> | <u>\$ 4,636,212</u> | <u>32</u> | 15 |
| NET INCOME ATTRIBUTABLE TO: | | | | | |

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | <u>2021</u> | | <u>2020</u> | | <u>Percentag e Increase (Decrease)</u> |
|--|---------------------|---------------|---------------------|---------------|--|
| | <u>Amount</u> | <u>%</u> | <u>Amount</u> | <u>%</u> | <u>%</u> |
| Owners of the Bank | \$ 4,463,768 | 27 | \$ 3,441,709 | 24 | 30 |
| Non-controlling interests | <u>(372)</u> | <u>-</u> | <u>(204)</u> | <u>-</u> | 82 |
| | <u>\$ 4,463,396</u> | <u>27</u> | <u>\$ 3,441,505</u> | <u>24</u> | 30 |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | | |
| Owners of the Bank | \$ 5,345,944 | 32 | \$ 4,636,413 | 32 | 15 |
| Non-controlling interests | <u>(365)</u> | <u>-</u> | <u>(201)</u> | <u>-</u> | 82 |
| | <u>\$ 5,345,579</u> | <u>32</u> | <u>\$ 4,636,212</u> | <u>32</u> | 15 |
| EARNINGS PER SHARE (NEW TAIWAN DOLLARS) | | | | | |
| Basic | | <u>\$1.21</u> | | <u>\$0.90</u> | |
| Diluted | | <u>\$1.21</u> | | <u>\$0.90</u> | |

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

| | Equity Attributable Owners of the Company | | | | | | | | | | | | Non-controlling Interests | Total Equity |
|--|---|----------------------|---------------|-----------------|---------------|-----------------|----------------------------|---------------|---|---|--------------|---------------|------------------------------|---------------|
| | | | | | | | | | Other Equity | | | | | |
| | | | | | | | | | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Unrealized Valuation Gains (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | | | | |
| | | | | | | | | | | | Total | Total | | |
| | Ordinary Shares | Preference Shares | Total | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | Total | | | | | | |
| BALANCE AT JANUARY 1, 2020 | \$ 28,844,553 | \$ 2,000,000 | \$ 30,844,553 | \$ 8,035,484 | \$ 6,875,793 | \$ 627,440 | \$ 5,180,139 | \$ 12,683,372 | \$ (604,632) | \$ 5,289,524 | \$ 4,684,892 | \$ 56,248,301 | \$ 1,578 | \$ 56,249,879 |
| Appropriation of the 2019 earnings | | | | | | | | | | | | | | |
| Legal reserve | - | - | - | - | 1,007,837 | - | (1,007,837) | - | - | - | - | - | - | - |
| Cash dividends on common shares | - | - | - | - | - | - | (288,446) | (288,446) | - | - | - | (288,446) | - | (288,446) |
| Stock dividends on common shares | 2,019,119 | - | 2,019,119 | - | - | - | (2,019,119) | (2,019,119) | - | - | - | - | - | - |
| Cash dividends on preference shares | - | - | - | - | - | - | (480,000) | (480,000) | - | - | - | (480,000) | - | (480,000) |
| Net income for the year ended December 31, 2020 | - | - | - | - | - | - | 3,441,709 | 3,441,709 | - | - | - | 3,441,709 | (204) | 3,441,505 |
| Other comprehensive income for the year ended December 31, 2020 | - | - | - | - | - | - | 6,144 | 6,144 | (486,591) | 1,675,151 | 1,188,560 | 1,194,704 | 3 | 1,194,707 |
| Non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | - | 200 | 200 |
| Share-based payment | 70,016 | - | 70,016 | 4,551 | - | - | - | - | - | - | - | 74,567 | - | 74,567 |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | - | - | 22,382 | 22,382 | - | (22,382) | (22,382) | - | - | - |
| BALANCE AT DECEMBER 31, 2020 | 30,933,688 | 2,000,000 | 32,933,688 | 8,040,035 | 7,883,630 | 627,440 | 4,854,972 | 13,366,042 | (1,091,223) | 6,942,293 | 5,851,070 | 60,190,835 | 1,577 | 60,192,412 |
| Appropriation of the 2020 earnings | | | | | | | | | | | | | | |
| Legal reserve | - | - | - | - | 1,041,070 | - | (1,041,070) | - | - | - | - | - | - | - |
| Stock dividends on common shares | 1,951,916 | - | 1,951,916 | - | - | - | (1,951,916) | (1,951,916) | - | - | - | - | - | - |
| Cash dividends on preference shares | - | - | - | - | - | - | (480,000) | (480,000) | - | - | - | (480,000) | - | (480,000) |
| Net income for the year ended December 31, 2021 | - | - | - | - | - | - | 4,463,768 | 4,463,768 | - | - | - | 4,463,768 | (372) | 4,463,396 |
| Other comprehensive income for the year ended December 31, 2021 | - | - | - | - | - | - | 228 | 228 | (545,390) | 1,427,338 | 881,948 | 882,176 | 7 | 882,183 |
| Non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | - | 205,205 | 205,205 |
| Share-based payment | 66,583 | - | 66,583 | 5,659 | - | - | - | - | - | - | - | 72,242 | - | 72,242 |
| Changes in ownership interests in subsidiaries | - | - | - | 6,290 | - | - | - | - | - | - | - | 6,290 | (659) | 5,631 |
| Preferred stock liabilities converted to preferred stock | - | - | - | - | - | - | - | - | - | - | - | - | 524,000 | 524,000 |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | - | - | 1,086,597 | 1,086,597 | - | (1,086,597) | (1,086,597) | - | - | - |
| BALANCE AT DECEMBER 31, 2021 | \$ 32,952,187 | \$ 2,000,000 | \$ 34,952,187 | \$ 8,051,984 | \$ 8,924,700 | \$ 627,440 | \$ 6,932,579 | \$ 16,484,719 | \$ (1,636,613) | \$ 7,283,034 | \$ 5,646,421 | \$ 65,135,311 | \$ 729,758 | \$ 65,865,069 |

UNION BANK OF TAIWAN AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

| | 2021 | 2020 |
|---|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 5,210,244 | \$ 3,941,675 |
| Adjustments for: | | |
| Depreciation expense | 2,544,293 | 2,411,311 |
| Amortization expense | 93,295 | 81,097 |
| Expected credit losses/provision of allowance for doubtful accounts | 805,824 | 290,540 |
| Gain on disposal of financial assets at fair value through profit or loss | (535,113) | (1,716,214) |
| Interest expense | 2,973,928 | 4,282,424 |
| Interest revenue | (11,635,599) | (11,923,484) |
| Dividend income | (582,480) | (458,178) |
| Share of loss of associates | 14,155 | 50,493 |
| Gain on disposal of investments on associates | (6,665) | - |
| Gain on disposal of properties and equipment | (60,210) | (43,194) |
| Gain on disposal of investments | (365,267) | (15,371) |
| impairment loss on financial assets | 22,479 | - |
| Reversal of impairment loss on financial assets | - | (122,109) |
| Impairment loss on non financial assets | 132,193 | - |
| Reversal of impairment loss on nonfinancial assets | (717) | (6,751) |
| Loss (Gain) on disposal of collaterals | 240 | (256) |
| Changes in operating assets and liabilities | | |
| Due from the Central Bank and call loans to banks | (5,227,313) | (7,457,990) |
| Financial assets at fair value through profit or loss | (10,308,271) | (1,909,113) |
| Financial assets at fair value through other comprehensive income | (6,432,923) | (10,349,999) |
| Investments in debt instruments at amortized cost | 13,084,558 | 13,628,315 |
| Receivables | (2,163,779) | (3,915,983) |
| Discounts and loans | (71,090,628) | (38,507,082) |
| Other financial assets | 2,927,936 | (942,350) |
| Deposits from the Central Bank and other banks | (2,480,972) | 620,382 |
| Financial liabilities at fair value through profit or loss | (628,402) | (784,246) |
| Securities sold under repurchase agreements | 6,851,580 | (20,949,260) |
| Payables | 1,037,323 | 1,388,354 |
| Deposits and remittances | 64,522,359 | 73,961,399 |
| Other financial liabilities | (108,917) | 115,251 |
| Provision for employee benefits | (1,406) | 11,878 |
| Other liabilities | (1,387) | 11,171 |
| Cash generated from (used in) operations | (11,409,642) | 1,692,710 |
| Interest received | 11,587,198 | 12,072,954 |
| Dividends received | 582,480 | 458,178 |
| Interest paid | (3,051,101) | (4,603,904) |
| Income tax paid | (412,045) | (740,537) |
| Net cash generated from (used in) operating activities | <u>(2,703,110)</u> | <u>8,879,401</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |

(Continued)

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

| | 2021 | 2020 |
|---|-----------------------------|-----------------------------|
| Acquisition of associates | (497,844) | - |
| Disposal of associates | 45,007 | - |
| Acquisition of subsidiary | (245,440) | - |
| Payments for properties and equipment | (365,463) | (227,557) |
| Proceeds from disposal of properties and equipment | 75 | 20 |
| Payments for investment properties | (18,663) | (13,668) |
| Increase in settlement fund | (3,387) | - |
| Decrease in settlement fund | - | 616 |
| Increase in refundable deposits | (243,477) | - |
| Decrease in refundable deposits | - | 299,958 |
| Payments for intangible assets | (57,808) | (41,419) |
| Proceeds from disposal of collaterals | 477 | 7,007 |
| Increase in other assets | <u>(2,167,885)</u> | <u>(2,503,824)</u> |
| Net cash used in investing activities | <u>(3,554,408)</u> | <u>(2,478,867)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in due to Central Bank and other banks | 3,355,335 | 3,786,720 |
| Increase in commercial paper | 2,472,996 | 2,417,124 |
| Repayment of bonds payable | (227,062) | (3,041) |
| Proceeds from issue of bank debentures | 3,000,000 | - |
| Repayments of bank debentures | (2,500,000) | (3,000,000) |
| Proceeds from issuance of preferred stock liability | 371,500 | 524,000 |
| Proceeds from guarantee deposits received | 130,395 | 100,940 |
| Repayment of the principal portion of lease liabilities | (470,599) | (438,309) |
| Increase in other liabilities | - | 189,708 |
| Decrease in other liabilities | (225,756) | - |
| Dividends paid | (480,000) | (768,446) |
| Changes in non-controlling interests | <u>168,410</u> | <u>-</u> |
| Net cash generated from financing activities | <u>5,595,219</u> | <u>2,808,696</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | <u>(721,350)</u> | <u>(613,667)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (1,383,649) | 8,595,563 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>72,872,911</u> | <u>64,277,348</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 71,489,262</u> | <u>\$ 72,872,911</u> |

(Continued)

UNION BANK OF TAIWAN AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

Reconciliation of the cash and cash equivalents reported in the consolidated statements of cash flows with those reported in the consolidated balance sheets as of December 31, 2021 and 2020:

| | December 31 | |
|---|----------------------|----------------------|
| | 2021 | 2020 |
| Cash and cash equivalents in the consolidated balance sheets | \$ 13,767,806 | \$ 8,961,438 |
| Due from the Central Bank and call loans to banks that meet the definition of cash and cash equivalents in IAS 7 “Cash Flow Statements” | - | - |
| Securities purchased under agreements to resell that meet the definition of cash and cash equivalents in IAS 7 | <u>57,721,456</u> | <u>63,911,473</u> |
| Cash and cash equivalents in consolidated statements of cash flows | <u>\$ 71,489,262</u> | <u>\$ 72,872,911</u> |

Attachment 4

Union Bank of Taiwan
2021 Profit Distribution Table

Unit: NT\$

| Item | Amount | |
|---|-----------------|-----------------|
| Beginning Undistributed Profit | | 1,381,986,370 |
| Surplus after tax for the current period | | 4,463,768,069 |
| Determine the remeasurement amount of the welfare plan and recognize it in the retained surplus | | 227,632 |
| Disposal of equity instruments at fair value through other comprehensive income | | 1,086,597,585 |
| Provide the statutory surplus reserve for the year | | (1,665,177,986) |
| Current surplus available for distribution | | 5,267,401,670 |
| Assign items | | |
| Special stock dividend (annual rate 4.8%) | (480,000,000) | |
| Common stock dividend (NT\$1.0351per share) | (3,410,551,349) | (3,890,551,349) |
| Undistributed profit | | 1,376,850,321 |

Notes:

According to the Ministry of Finance's 1998.04.30 fiscal and taxation No. 871941343, when the surplus is distributed, it should be identified by individual identification. This surplus distribution will give priority to the surplus of 2021.

Chairman: Lin Jeff Manager: Xu Weiwen Accounting Head: Lu Wenjuan

Attachment 5

Salary Appraisal Principles

1. The remuneration and attendance fees of directors of the Bank are determined as follows according to their positions:

| Remuneration/ attendance fee job title | monthly remuneration | per attendance fee | |
|--|-------------------------------------|--------------------|---|
| | | Executive Board | Board of Directors The Audit Committee Compensation Committee Director Nomination Committee |
| Chairman | <u>300, 000~</u> <u>600, 000</u> | none | |
| managing Director | 50, 000 | 8, 000 | 6, 000 |
| Independent Managing Director | 60, 000 | | |
| director | 10, 000 | none | |
| independent director | 60, 000 | | |

2. Distribution of remuneration for directors: The amount allocated in accordance with Article 38 of the company's articles of association is calculated according to the weight ratio of each position in the table below.

| job title | proportion |
|---------------------------------|------------|
| Chairman | 3 |
| Independent (Managing) Director | 1.5 |
| independent director | 1.5 |
| director | 1 |

3. The results of the performance evaluation of the board of directors are regularly used as a reference for the adjustment of directors' remuneration.
4. This remuneration assessment principle shall be implemented after the resolution of the board of directors is passed, and the same shall apply to amendments.

Remuneration of directors in 2021

unit: Nt\$

| job title | name | Director's Remuneration | | | | |
|-------------------------------|---|-------------------------|-------------------------|---------------|-----------------------------|--------------|
| | | remuneration | Director's Remuneration | holding trust | Execution business expenses | total |
| Chairman | * Li Siang Chang | 15, 154, 807 | 3, 533, 613 | 7, 000 | 2, 165, 576 | 20, 860, 996 |
| Independent Managing Director | * Wang Gao Jing | | | | | |
| Independent Director | * Lu Ren Fa | | | | | |
| Director | *Union Enterprise Construction Co.,Ltd. (representative : Lin Jeff) | | | | | |
| Chairman | Union Investment Ltd. representative : Lin Jeff | | | | | |
| Independent Managing Director | Li Guo Chang | | | | | |
| Independent Director | Lee Tzung Hang | | | | | |
| Independent Director | Fan Lin Yu | | | | | |
| Managing Director | Chuan Cheng Investment Co., Ltd. represented by: Chiang Chen Hsiung | | | | | |
| Director | Yo Bang Co., Ltd. (represented by: Cao Su Fong) | | | | | |
| Director | Bai Sheng Investment Co., Ltd. (represented by: Lin Si Yong) | | | | | |
| Director | Union Investment Ltd. represented by: Li, Wen Ming | | | | | |
| Director | Tu Herman | | | | | |

*Note: Retired on 2021/7/20

Attachment 6

Articles of Association

Table of Comparison Clauses Before and After Amendment

| Clause after Amendment | Clause before amendment | Remarks |
|---|---|--|
| <p>Chapter 4 Shareholders' Meeting Article 11 The shareholders' meeting of the Bank is divided into two types: regular meetings and extraordinary meetings. Regular meetings are held once a year, within six months after the end of the fiscal year, and ad hoc meetings are convened according to law when necessary. <u>When the Bank's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority. If the securities regulatory authority otherwise stipulates, the regulations shall be followed.</u> The convening of the regular shareholders meeting shall be notified to all shareholders 30 days in advance; the convening of the extraordinary shareholders meeting shall be notified to all shareholders 15 days in advance. For shareholders holding less than 1,000 registered shares, the notice in the preceding paragraph may be made by public announcement. The notice and announcement shall specify the reason for the convening; if the notice is approved by the counterparty, it may be done electronically. When necessary, the general meeting of shareholders of preference shares may be convened in accordance with relevant laws and regulations.</p> | <p>Chapter 4 Shareholders' Meeting Article 11 The shareholders' meeting of the Bank is divided into two types: regular meetings and extraordinary meetings. Regular meetings are held once a year, within six months after the end of the fiscal year, and ad hoc meetings are convened according to law when necessary. The convening of the ordinary shareholders' meeting shall be notified to all shareholders 30 days in advance; the convening of the extraordinary shareholders' meeting shall be notified 15 days in advance. know each shareholder. For shareholders holding less than 1,000 registered shares, the notice in the preceding paragraph may be made by public announcement. The notice and announcement shall specify the reason for the convening; if the notice is approved by the counterparty, it may be done electronically. When necessary, the general meeting of shareholders of preference shares may be convened in accordance with relevant laws and regulations.</p> | <p>In order to make the company's method of convening shareholders' meetings more flexible, in accordance with Article 172-2, Paragraph 1 of the Company Act, "The Articles of Association may stipulate that when shareholders' meetings are held, they shall be held by video conference or other methods announced by the central competent authority. ... " and Paragraph 3 of "The preceding two paragraphs, the conditions, operating procedures and other matters that must be met by companies that issue stocks to the public, if the securities regulatory authority otherwise stipulates, such regulations shall prevail. ', to correct it.</p> |
| <p>Article 43 This Articles of Association was made on August 20, 1990 of the Republic of China. (Abbreviated below) The 25th revision is on May 27, 2022.</p> | <p>Article 43 This Articles of Association was made on August 20, 1990 of the Republic of China. (abbreviated below).</p> | <p>Update this revision date.</p> |

" Rules of Procedure for Shareholders' Meeting " Attachment 7

Table of Comparison Clauses Before and After Amendment

| Clause after Amendment | Clause before Amendment | Remarks |
|---|--|--|
| <p>3.</p> <p>Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the Bank shall be convened by the Board of Directors.</p> <p><u>Changes to the method of convening the shareholders' meeting of the Bank shall be subject to a resolution of the board of directors, and it shall be made no later than before the notice of the shareholders' meeting is dispatched.</u></p> <p>(abbreviated below)</p> | <p>3.</p> <p>Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the Bank shall be convened by the Board of Directors.</p> <p>(abbreviated below)</p> | <p>In order to make shareholders aware of the change in the method of convening the shareholders' meeting, the change in the method of convening the shareholders' meeting shall be subject to a resolution of the board of directors, and it shall be made no later than before the notice of the shareholders' meeting is dispatched, and the second paragraph shall be added.</p> |
| <p>4.</p> <p>Shareholders may issue a power of attorney issued by the Bank at each shareholders meeting, specifying the scope of authorization, entrusting a proxy, and attending shareholders meeting.</p> <p>A shareholder shall issue one proxy letter, limited to one person entrusting the proxy, which shall be delivered to the Bank five days before the shareholders' meeting. In the event of repeated proxy forms, the one that is served first shall prevail. However, it is not limited to those who declare to revoke the previous entrustment.</p> <p>After the power of attorney is delivered to the Bank, shareholders</p> | <p>4.</p> <p>Shareholders may issue a power of attorney issued by the Bank at each shareholders meeting, specifying the scope of authorization, entrusting a proxy, and attending shareholders meeting.</p> <p>A shareholder shall issue one proxy letter, limited to one person entrusting the proxy, which shall be delivered to the Bank five days before the shareholders' meeting. In the event of repeated proxy forms, the one that is served first shall prevail. However, it is not limited to those who declare to revoke the previous entrustment.</p> <p>After the power of attorney is delivered to the Bank, shareholders who wish to attend the shareholders'</p> | <p>If a shareholder entrusts a proxy to attend the shareholders' meeting, after the power of attorney is delivered to the Bank, if the shareholder intends to attend the shareholders' meeting by video conferencing, he or she shall notify the Bank in writing of the revocation of the proxy two days</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|---|---|
| <p>who wish to attend the shareholders' meeting in person or to exercise their voting rights in writing or electronically shall notify the Bank in writing of revocation of the proxy two days before the shareholders' meeting; The voting rights exercised by attendance shall prevail.</p> <p><u>After the power of attorney has been delivered to the Bank, shareholders who wish to attend the shareholders' meeting by video conference shall notify the Bank in writing of revocation of the proxy two days before the shareholders' meeting.</u></p> | <p>meeting in person or to exercise their voting rights in writing or electronically shall notify the Bank in writing of revocation of the proxy two days before the shareholders' meeting; The voting rights exercised by attendance shall prevail.</p> | <p>before the shareholders' meeting, and Paragraph 4 shall be added.</p> |
| <p>5.</p> <p>The venue of the shareholders' meeting shall be the location of the Bank or a venue that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m. The venue and time of the meeting should be fully considered. Opinions of independent directors.</p> <p><u>When the Bank convenes a video-conference shareholders meeting, there is no restriction on the venue of the preceding paragraph.</u></p> | <p>5.</p> <p>The venue of the shareholders' meeting shall be the location of the Bank or a venue that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m. The venue and time of the meeting should be fully considered. Opinions of independent directors.</p> | <p>Item 2 was added to clarify that when the company holds a video-conference shareholders meeting, there is no restriction on the location of the meeting.</p> |
| <p>6.</p> <p>The Bank shall specify in the meeting notice the time, location and other matters that should be paid attention to when accepting shareholders, solicitors, and entrusted agents (hereinafter referred to as "shareholders"). If the shareholders' meeting is held by video conference, the method of shareholders' participation and exercising their rights shall be recorded, and the method of submitting to the video conference platform due to force majeure or the failure to participate by video conference shall be recorded. The handling method, the date of the meeting if it is necessary to postpone</p> | <p>6.</p> <p>The Bank shall specify in the meeting notice the time and place of the acceptance of the shareholder's registration, the place of registration and other matters that should be noted. The time for accepting shareholders' registration in the preceding paragraph shall be made at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it.</p> <p>The Bank shall set up a signature book for the attending shareholders themselves or their proxies (hereinafter referred to as</p> | <p>1. When a shareholders meeting is held by video conference, in order for shareholders to know the operating procedures and related matters of the video conference platform, it should be recorded in the meeting notice; if a video</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|--|--|---|
| <p>or continue the meeting, and other matters to be noted; if a video-conference shareholders meeting is held, the appropriate alternative measures provided for shareholders who have difficulty participating in video-conference shall be recorded. The time for accepting shareholders' registration in the preceding paragraph shall be made at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it; the video conference of the shareholders' meeting shall be held 30 minutes before the start of the meeting by video-conference of the shareholders' meeting The meeting platform accepts registration, and shareholders who complete the registration are deemed to have attended the shareholders meeting in person.</p> <p>The Bank shall set up a signature book for the attendance of shareholders themselves or their proxies (hereinafter collectively referred to as shareholders) to sign in, or the attendance of shareholders to hand in their sign-in cards to sign in on their behalf.</p> <p>The Bank shall deliver the procedure manual, annual report, attendance certificate, speech slip, votes and other meeting materials to shareholders present at the shareholders' meeting; if there is an election of directors, an additional ballot shall be attached. Shareholders should present the attendance certificate, attendance card or other attendance certificate to attend the shareholders' meeting. The Bank shall not arbitrarily add other certificates to the certificate documents relied on by shareholders to attend; the applicant who is soliciting the power of attorney should bring</p> | <p>shareholders) to sign in, or the attending shareholders shall hand in their sign-in cards to sign in on their behalf.</p> <p>The Bank shall deliver the procedure manual, annual report, attendance certificate, speech slip, votes and other meeting materials to shareholders present at the shareholders' meeting; if there is an election of directors, an additional ballot shall be attached. Shareholders should present the attendance certificate, attendance card or other attendance certificate to attend the shareholders' meeting. The Bank shall not arbitrarily add other certificates to the certificate documents relied on by shareholders to attend; the applicant who is soliciting the power of attorney should bring along the identity certificate. , for verification.</p> <p>When the government or legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend the meeting.</p> | <p>conference is held, there is only one way to participate in video conference. For some shareholders who still have a digital gap, it is still difficult to expect that they can participate in the video conference. Appropriate alternative measures should be provided for these shareholders, such as exercising their voting rights in writing or providing shareholders with the necessary equipment to participate in the video conference. If it is limited by the size of the meeting notice, the gist of each operation period and method should also be recorded, and the first item should be amended.</p> <p>2. Amend item 2 for the time and procedure of registering for shareholders who will attend by video</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|---|--|
| <p>along the identity certificate. , for verification.</p> <p>When the government or legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend the meeting.</p> <p>If the shareholders' meeting is held by video conference, shareholders who wish to attend the shareholders' meeting by video conference shall register with the Bank two days before the shareholders' meeting after the amendment.</p> <p>The shareholders' meeting is held by video conference. The Bank shall upload the procedure manual, annual report and other relevant materials to the video conference platform of the shareholders' meeting at least 30 minutes before the start of the meeting, and continue to disclose it until the end of the meeting.</p> | | <p>conference.</p> <p>3. Shareholders who intend to attend the shareholders' meeting by video conferencing shall register with the Bank 2 days before the shareholders' meeting, and add item 7.</p> <p>4. In order to enable shareholders attending by video conference to read relevant materials such as the proceedings manual and annual report, they shall be uploaded to the video conference platform of the shareholders' meeting, and item 8 shall be added.</p> |
| <p>8.</p> <p>The Bank shall continuously and uninterruptedly record and videotape the entire process of shareholder registration, the conduct of meetings, and the process of voting and counting from the time of acceptance of shareholder registration. The audio-visual materials in the preceding paragraph shall be kept for at least one year. However, if the shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.</p> <p><u>If the shareholders' meeting is held by video conference, the Bank shall keep records of shareholders' registration.</u></p> | <p>8.</p> <p>The Bank shall continuously and uninterruptedly record and videotape the entire process of shareholder registration, the conduct of meetings, and the process of voting and counting from the time of acceptance of shareholder registration. The audio-visual materials in the preceding paragraph shall be kept for at least one year. However, if the shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.</p> | <p>When the shareholders' meeting is held by video conference, the video conference shall be recorded and recorded without interruption, and the corresponding preservation method shall be added during the period of the</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|---|---|
| <p><u>registration, registration, questioning, voting and company vote counting results, etc., and record and video the entire video conference without interruption.</u></p> <p><u>The information and audio and video recordings mentioned in the preceding paragraph shall be properly kept by the Bank during the period of existence, and the audio and video recordings shall be provided to those who are entrusted to handle video conference affairs for preservation.</u></p> | | company's existence. Items 3 and 4 shall be added. |
| <p>9. Attendance at the shareholders' meeting shall be calculated on the basis of shares. The number of shares attended is calculated based on the signature book or the paid-in sign-in card, and the number of shares registered on the video conference platform plus the number of shares that exercise voting rights in writing or electronically.</p> <p>When the meeting time has expired, the chairman shall announce the meeting, and at the same time announce the number of non-voting rights and the number of shares attended.</p> <p>However, when shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the postponement of the meeting. The number of postponements shall be limited to two times, and the total postponement time shall not exceed one hour. If there are not enough shareholders representing more than 1/3 of the total number of issued shares to attend after two delays, the chairman will announce the adjourned meeting; if the shareholders' meeting is held by video conference, the Bank shall also announce the adjourned meeting on the video conference platform of the shareholders' meeting.</p> | <p>9. Attendance at the shareholders' meeting shall be calculated on the basis of shares. The number of shares in attendance shall be calculated by adding the number of shares for which voting rights are exercised in writing or electronically based on the signed book or the paid-in attendance card.</p> <p>When the meeting time has expired, the chairman shall announce the meeting immediately. However, when shareholders representing more than half of the total issued shares are not present, the chairman may announce the postponement of the meeting. The number of postponements shall be limited to 2 times, and the total postponement time shall not exceed 1 Hour. If there are not enough shareholders representing more than 1/3 of the total number of issued shares to attend the meeting after two delays, the chairman will announce the adjournment of the meeting.</p> <p>In the event that the number of shareholders representing more than 1/3 of the total number of issued shares is present after two delays in the preceding paragraph, a false resolution may be made pursuant to Article 175, Paragraph 1 of the Company Act, and the false resolution shall be notified to each shareholder within one month.</p> <p>The shareholders meeting will be</p> | <p>Addition of relevant operational matters at the time of meeting of shareholders by video conference, and amendments to items 1, 3 and 4.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|--|--|
| <p>In the event that the number of shareholders representing more than 1/3 of the total number of issued shares is present after two delays in the preceding paragraph, a false resolution may be made pursuant to Article 175, Paragraph 1 of the Company Act, and the false resolution shall be notified to each shareholder within one month. The shareholders' meeting shall be convened again within the next day; if the shareholders' meeting is held by video conference, shareholders who wish to attend by video conference shall re-register with the Bank in accordance with Article 6.</p> <p>Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may re-submit the false resolution to the shareholders' meeting for voting in accordance with Article 174 of the Company Law.</p> | <p>convened again within the next day. Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may re-submit the false resolution to the shareholders' meeting for voting in accordance with Article 174 of the Company Law.</p> | |
| <p>11. Before attending a shareholder's speech, a speech slip must be filled out, stating the gist of the speech, the shareholder's account number (or attendance certificate number) and account name. The chairman will determine the order of their speeches. The shareholders present who only put forward a statement without speaking are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail. Each shareholder's speech on the same proposal shall not exceed 2 times without the consent of the chairman, and each time shall not exceed 5 minutes. However, if a shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop him from speaking.</p> | <p>11. Before attending a shareholder's speech, a speech slip must be filled out, stating the gist of the speech, the shareholder's account number (or attendance certificate number) and account name. The chairman will determine the order of their speeches. The shareholders present who only put forward a statement without speaking are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail. Each shareholder's speech on the same proposal shall not exceed 2 times without the consent of the chairman, and each time shall not exceed 5 minutes. However, if a shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop him from speaking. When a shareholder is present to</p> | <p>Items 7 and 8 have been added in response to the relevant operational matters at the time of the shareholders meeting by video conference</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|--|--|
| <p>When a shareholder is present to speak, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder, and the chairman shall stop the violation.</p> <p>When a corporate shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.</p> <p>After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel.</p> <p><u>If the shareholders' meeting is held by video conference, shareholders who participate by video conference may ask questions in text on the video conference platform of the shareholders' meeting after the chairman announces the meeting and before the announcement of the adjournment of the meeting. Items 1 to 5 do not apply, with a limit of 200 words.</u></p> <p><u>If the question mentioned in the preceding paragraph does not violate the regulations or does not exceed the scope of the proposal, it is advisable to expose the question on the video conference platform of the shareholders' meeting for public knowledge.</u></p> | <p>speak, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder, and the chairman shall stop the violation.</p> <p>When a corporate shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.</p> <p>After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel.</p> | |
| <p>13.</p> <p>Shareholders have one vote per share, except those with restricted or no voting rights.</p> <p>When the Bank convenes a shareholders' meeting, it shall exercise its voting rights in electronic form and may exercise its voting rights in writing; when it exercises its voting rights in writing or electronically, its exercise method shall be specified in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in</p> | <p>13.</p> <p>Shareholders have one vote per share, except those with restricted or no voting rights.</p> <p>When the Bank convenes a shareholders' meeting, it shall exercise its voting rights in electronic form and may exercise its voting rights in writing; when it exercises its voting rights in writing or electronically, its exercise method shall be specified in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in</p> | <p>1. In order to expressly stipulate that after shareholders exercise their voting rights in writing or electronically, if they want to attend the shareholders' meeting by video, they</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>writing or electronically are deemed to have attended the shareholders' meeting in person. However, the provisional motion of the shareholders meeting and the amendment of the original motion shall be deemed as abstention.</p> <p>In the case of exercising voting rights in writing or electronically in the preceding paragraph, the statement of intent shall be delivered to the company two days before the shareholders' meeting. However, those who express their intentions before the declaration of revocation are not subject to this limitation.</p> <p>After shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or by video, they shall revoke their intention to exercise the voting rights in the preceding paragraph in the same manner as the exercise of voting rights 2 days before the shareholders' meeting; or the voting rights exercised electronically. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting by proxy, the voting rights that are entrusted to attend and exercise shall prevail.</p> <p>Unless otherwise stipulated by the Company Law and the Articles of Association of the Bank, voting on a resolution shall be passed with the consent of more than half of the voting rights of the shareholders present.</p> <p>When voting, the chairman or his designee shall announce the total number of voting rights of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis.</p> <p>When there are amendments or alternatives to the same motion, the chairman shall determine the order of voting on the same motion as the</p> | <p>writing or electronically are deemed to have attended the shareholders' meeting in person. However, the provisional motion of the shareholders meeting and the amendment of the original motion shall be deemed as abstention.</p> <p>In the case of exercising voting rights in writing or electronically in the preceding paragraph, the statement of intent shall be delivered to the company two days before the shareholders' meeting. However, those who express their intentions before the declaration of revocation are not subject to this limitation.</p> <p>After shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or by video, they shall revoke their intention to exercise the voting rights in the preceding paragraph in the same manner as the exercise of voting rights 2 days before the shareholders' meeting; or the voting rights exercised electronically. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting by proxy, the voting rights that are entrusted to attend and exercise shall prevail.</p> <p>Unless otherwise stipulated by the Company Law and the Articles of Association of the Bank, voting on a resolution shall be passed with the consent of more than half of the voting rights of the shareholders present.</p> <p>When voting, the chairman or his designee shall announce the total number of voting rights of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis.</p> <p>When there are amendments or alternatives to the same motion, the chairman shall determine the order of voting on the same motion as the</p> | <p>should first cancel them in the same way as exercising their voting rights, and amend item 4.</p> <p>2. In order to allow the shareholders who participate in the shareholders meeting by video to have sufficient voting time, from the time when the chairman announces the meeting to the end of the voting, all the original proposals can be voted. Item 9 can only be added to the voting time of shareholders who participate in the voting by video conferencing.</p> <p>3. The shareholders of the video-assisted shareholders meeting who have completed the registration to attend the shareholders' meeting by video, if they want to attend the physical shareholders' meeting in</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>original motion. If one of the motions has been passed, the other motions are deemed to be rejected and no further voting is required.</p> <p>The scrutineer and vote-counter for voting on the resolution shall be designated by the chairman, but the scrutineer shall have the identity of a shareholder.</p> <p>Counting of votes for votes or election proposals at the shareholders' meeting shall be conducted in a public place at the shareholders' meeting, and after the votes are counted, the voting results shall be announced on the spot, including the weight of the statistics, and a record shall be made.</p> <p><u>If the shareholders meeting is held by video conference, after the chairman announces the close of voting, the votes shall be counted at one time, and the voting and election results shall be announced.</u></p> <p><u>When the Bank holds a video-assisted shareholders meeting, shareholders, solicitors or proxies who have registered to attend the shareholders' meeting by video-conference in accordance with the provisions of Article 6, and who wish to attend the physical shareholders' meeting in person, shall make an appointment with the shareholders two days prior to the opening of the shareholders' meeting. The registration is cancelled in the same way as the registration; if the cancellation is overdue, the shareholders meeting can only be attended by video.</u></p> <p><u>Those who exercise their voting rights in writing or electronically without revoking their intentions and participate in the shareholders' meeting by video conferencing shall not exercise their voting rights on the original proposal or propose amendments to the original proposal or exercise the voting rights for</u></p> | <p>original motion. If one of the motions has been passed, the other motions are deemed to be rejected and no further voting is required.</p> <p>The scrutineer and vote-counter for voting on the resolution shall be designated by the chairman, but the scrutineer shall have the identity of a shareholder.</p> <p>Counting of votes for votes or election proposals at the shareholders' meeting shall be conducted in a public place at the shareholders' meeting, and after the votes are counted, the voting results shall be announced on the spot, including the weight of the statistics, and a record shall be made.</p> | <p>person, they should cancel the registration in the same way as the registration 2 days before the shareholders' meeting.</p> <p>Participate in the shareholders meeting by video, and add item 10.</p> <p>4. In order to protect the rights and interests of shareholders, as stipulated in Item 11, shareholders who exercise their voting rights in writing or electronically may still register to participate in the shareholders' meeting by video if they have not withdrawn their declaration of intent, except that they may raise and Apart from exercising the right to vote, no voting on the original proposal or amendments to the original proposal is allowed, and no amendment to the original proposal may be</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <u>amendments to the original proposal except for temporary motions.</u> | | proposed. |
| <p>15. The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The production of minutes can be done electronically.</p> <p>The distribution of the minutes mentioned in the preceding paragraph may be done in the form of an announcement entered into the public information observatory.</p> <p>The minutes of the meeting shall be recorded in accordance with the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings and voting results (including statistical weights). When directors are elected, the votes obtained by each candidate shall be disclosed. Weights. During the existence of the Bank, it shall be kept permanently.</p> <p><u>If the shareholders' meeting is held by video conference, the minutes of the shareholders' meeting shall record the starting and ending time of the shareholders' meeting, the method of holding the meeting and the name of the chairman of the meeting, in addition to the items required to be recorded in accordance with the preceding paragraph. Shareholders provide appropriate alternatives and The handling method and handling situation in the event of resistance to the video conferencing platform or participation in the video conferencing method.</u></p> | <p>15. The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The production of minutes can be done electronically.</p> <p>The distribution of the minutes mentioned in the preceding paragraph may be done in the form of an announcement entered into the public information observatory.</p> <p>The minutes of the meeting shall be recorded in accordance with the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings and voting results (including statistical weights). When directors are elected, the votes obtained by each candidate shall be disclosed. Weights. During the existence of the Bank, it shall be kept permanently.</p> | <p>Item 4 was added in response to the operation of the shareholders meeting held by video conference.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>16.</p> <p>The number of shares acquired by the solicitor, the number of shares represented by the proxy, and the number of shares attended by shareholders in writing or electronically, the Bank shall, on the day of the shareholders' meeting, issue the relevant regulations in accordance with the regulations.</p> <p>The statistical table prepared in the format is clearly disclosed in the shareholders meeting venue; if the shareholders meeting is held by video conference, the Bank shall upload the aforementioned information to the shareholders meeting video conference platform at least 30 minutes before the start of the meeting, and continue to disclose it to End of the meeting.</p> <p>The Bank holds a video conference of the shareholders' meeting. When announcing the meeting, the shareholders' attendance rights shall be disclosed on the video conference platform. The same applies if the weight of attendance is also counted during the meeting.</p> <p>If the resolutions of the shareholders' meeting are material information stipulated by laws and regulations or the Taiwan Stock Exchange Corporation, the Bank shall transmit the content to the Public Information Observatory within the specified time.</p> | <p>16.</p> <p>The number of shares acquired by the solicitor and the number of shares represented by the proxy shall be clearly disclosed at the shareholders meeting in a statistical table prepared by the Bank in accordance with the prescribed format on the day of the shareholders meeting.</p> <p>If the resolutions of the shareholders' meeting are material information stipulated by laws and regulations or the Taiwan Stock Exchange Corporation, the Bank shall transmit the content to the Public Information Observatory within the specified time.</p> | <p>1. In order to let shareholders know the number of shares acquired by the solicitor and the number of shares represented by the proxy, as well as the number of shares attended by written or electronic means, the company shall clearly disclose it at the shareholders meeting. If the company holds a video conference, it shall be uploaded to the video conference platform of the shareholders' meeting, and the first item shall be amended.</p> <p>2. In order to enable the shareholders participating in the video conference of the shareholders' meeting to simultaneously know whether the shareholders' attendance rights have reached the threshold for</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| | | holding the shareholders' meeting, it is stipulated that the company should disclose the shareholders' attendance rights on the video conference platform when announcing the meeting. The number of shareholders' attendance rights should also be disclosed on the video conference platform, and the second item should be added. |
| <p>19.</p> <p>If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results and election results of various resolutions on the video conference platform of the shareholders' meeting in accordance with the regulations, and shall continue to disclose for at least 15 minutes after the chairman announces the adjournment of the meeting. .</p> | <p>19. This article is added.</p> | <p>1. This article is newly added.</p> <p>2. In order to allow shareholders participating in the video conference of the shareholders' meeting to immediately know the voting status and election results of various proposals, and to regulate sufficient information disclosure time, this article is added.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>20.</p> <p>When the Bank holds a video shareholder meeting, the chairman and the recorder shall be at the same place in China, and the chairman shall announce the address of the place at the time of the meeting.</p> | <p>20. This article is added.</p> | <p>1. This article is newly added.</p> <p>2. When the shareholders' meeting is held by video conference and there is no physical meeting place, the chairman should preside over the meeting in my country. In addition, in order to let shareholders know the location of the chairman, the chairman should announce the address of his location when the meeting is held, and add it. .</p> |
| <p>21.</p> <p>If the shareholders' meeting is held by video conference, the Bank may provide a simple connection test for shareholders before the meeting, and provide relevant services immediately before and during the meeting to assist in handling technical communication problems.</p> <p>If the shareholders' meeting is held by video conference, the chairman shall, when announcing the opening of the meeting, separately announce that the meeting shall not be postponed or continued as stipulated in Article 44-20 of the Share Management Standards for Public Offering Companies, and before the chairman announces the adjournment of the meeting, due to force majeure circumstances. , if there is an obstacle to the video conference platform or participation by video</p> | <p>21. This article is added.</p> | <p>1. This article is newly added.</p> <p>2. In order to protect the rights and interests of shareholders, the video conference of the shareholders' meeting needs to be postponed or resumed due to communication obstacles.</p> <p>3. Considering the digital gap, it may be difficult for shareholders to participate in the shareholders'</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>conference, which lasts for more than 30 minutes, the shareholders meeting will postpone or renew the date of the meeting, and the provisions of Article 182 of the Company Law shall not apply.</p> <p>When the shareholders' meeting is postponed or reconvened in accordance with the provisions of the preceding paragraph, the voting and counting of votes have been completed, and the voting results or the list of elected directors need not be re-discussed and resolved.</p> <p>The Bank shall, in accordance with the provisions of Paragraph 2, postpone or renew the meeting, and shall, in accordance with the provisions set out in Article 44-20, Paragraph 4 of the Share Handling Standards for Companies Offering Shares Publicly, handle the relevant preparatory work according to the date of the original shareholders' meeting and the provisions of these Articles. , and the shareholders listed in the register of shareholders whose transfer of books was originally scheduled to be closed at the shareholders' meeting shall be entitled to attend the shareholders' meeting.</p> <p>Rules for the use of power of attorney for a public company to attend a general meeting of shareholders Articles 12-12 and Article 13-3, Public Offering Companies Articles 44-5-2, 44-15, 44-17 During the period specified in Paragraph 1, the Bank shall, in accordance with Paragraph 2, postpone or renew the date of the general meeting of shareholders.</p> <p>The Bank convened a video-assisted shareholders meeting. When the video conference cannot be continued in the second paragraph, if the total number of shares attended by the video conference still reaches the legal quota for the resolution of the shareholders</p> | | <p>meeting by video, so the amendment should provide appropriate alternative measures, such as exercising voting rights in writing.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| meeting after deducting the number of shares attending the shareholders meeting by video, the shareholders meeting can still continue without the need for an extension or continuation of the meeting under item 2. When the Bank convenes a video-conference shareholders meeting, it shall provide appropriate alternatives for shareholders who have difficulty in attending the shareholders' meeting by video-conference. | | |
| 22. These Rules shall come into force after being approved by the shareholders' meeting, and the same shall apply to amendments. | 19. These Rules shall come into force after being approved by the shareholders' meeting, and the same shall apply to amendments. | In line with this updated clause, the clauses are adjusted |

Attached table: revision history

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| 1 | Established on December 10, 1991 | Passed by the Founding meeting |
| 2 | Amended on April 20, 1998 | Passed by the shareholders meeting |
| 3 | Amended on April 23, 2010 | Passed by the shareholders meeting |
| 4 | Amended on June 22, 2012 | Passed by the shareholders meeting |
| 5 | Amended on June 26, 2015 | Passed by the shareholders meeting |
| 6 | Amended on May 28, 2021 | Passed by the shareholders meeting |
| 7 | Amended on May 27, 2022 | |

" Procedure for acquiring or disposing of assets "

Table of Comparison Clauses Before and After Amendment

| Clause after Amendment | Clause before Amendment | Remarks |
|---|---|--|
| <p>Article 6</p> <p>The company acquires or disposes of real estate, equipment or its right-to-use assets, except for transactions with domestic government agencies, self-contracted construction, leased construction, or acquisition or disposal of equipment for business use or its right-to-use assets, the transaction amount is up to If the company's paid-in capital is 20% or more than NT\$300 million, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements:</p> <p>1. When a limited price, or a specific price or a special price must be used as the reference for the transaction price due to special reasons, the transaction should be approved by the board of directors first; the same applies when the transaction conditions are changed later.</p> <p>2. Where the transaction amount exceeds NT\$1 billion, two or more professional appraisers shall be requested for appraisal.</p> <p>3. The appraisal result of the professional appraiser is under any of the following circumstances, except that the appraisal result of the acquired assets is higher than the transaction amount, or the appraisal result of the disposed assets is all lower than the transaction amount, the accountant should be consulted for the reasons for the difference and the transaction price. Admissibility expresses a specific opinion:</p> <p>(1) The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.</p> <p>(2) The difference between the</p> | <p>Article 6</p> <p>The company acquires or disposes of real estate, equipment or its right-to-use assets, except for transactions with domestic government agencies, self-contracted construction, leased construction, or acquisition or disposal of equipment for business use or its right-to-use assets, the transaction amount is up to If the company's paid-in capital is 20% or more than NT\$300 million, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements:</p> <p>1. When a limited price, or a specific price or a special price must be used as the reference for the transaction price due to special reasons, the transaction should be approved by the board of directors first; the same applies when the transaction conditions are changed later.</p> <p>2. Where the transaction amount exceeds NT\$1 billion, two or more professional appraisers shall be requested for appraisal.</p> <p>3. The appraisal result of the professional appraiser is in any of the following situations, except that the appraisal result of the acquired assets is higher than the transaction amount, or the appraisal result of the disposed assets is all lower than the transaction amount, the accountant should be consulted according to the accounting research of the Republic of China. The Bulletin No. 20 of the Auditing Standards issued by the Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation) provides specific opinions on the reasons for the difference and the reasonableness</p> | <p>According to the regulations of the competent authority, cooperate with the revision.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p>appraisal results of two or more professional appraisers is more than 10% of the transaction amount.</p> <p>4. The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed 3 months. However, if the current value of the same period of the announcement is applicable and less than 3 months have passed, the original professional appraiser may issue a written opinion.</p> <p>4. The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed 3 months. However, if the current value of the announcement in the same period is applicable and less than 3 months have passed, the original professional appraiser may issue a written opinion.</p> | <p>of the transaction price:</p> <p>(1) The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.</p> <p>(2) The difference between the appraisal results of two or more professional appraisers is more than 10% of the transaction amount.</p> <p>4. The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed 3 months. However, if it is applicable to the current value of the announcement in the same period and less than 6 months have passed, the original professional appraiser may issue a written opinion.</p> | |
| <p><u>Article 7</u></p> <p><u>When the company acquires or disposes of marketable securities, it shall obtain the most recent financial statement of the subject company that has been verified, certified or reviewed by an accountant before the date of the fact as a reference for evaluating the transaction price, and the transaction amount shall reach 20% of the company's paid-in capital. Or more than NT\$300 million, you should contact an accountant to express an opinion on the reasonableness of the transaction price before the date of the fact. However, this does not apply if the securities are publicly quoted in an active market or otherwise stipulated by the FSC.</u></p> | <p>Article 7</p> <p>When the company acquires or disposes of marketable securities, it shall obtain the most recent financial statement of the subject company that has been verified, certified or reviewed by an accountant before the date of the fact as a reference for evaluating the transaction price, and the transaction amount shall reach 20% of the company's paid-in capital. Or more than NT\$300 million, the accountant should be contacted to express their opinion on the reasonableness of the transaction price before the date of the fact. If the accountant needs to use an expert report, he should follow the 20th Auditing Standards Bulletin issued by the Accounting Research and Development Foundation. No. regulations. However, this does not apply if the securities are publicly quoted in an active market or otherwise stipulated by the FSC.</p> | <p>The reasons for the amendment are the same as those described in Article 6.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p><u>Article 8</u> <u>If the company acquires or disposes of intangible assets or right-of-use assets or membership card transactions that amount to 20% of the company's paid-in capital or NT\$300 million or more, in addition to transactions with domestic government agencies, it shall be A few days ago, the accountant was invited to express their opinion on the reasonableness of the transaction price.</u></p> | <p>Article 8 If the company acquires or disposes of intangible assets or right-of-use assets or membership card transactions that amount to 20% of the company's paid-in capital or NT\$300 million or more, in addition to transactions with domestic government agencies, it shall be A few days ago, the accountant was asked to express their opinion on the reasonableness of the transaction price, and the accountant should follow the provisions of the Bulletin of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation.</p> | <p>According to the regulations of the competent authority, cooperate with the revision.</p> |
| <p><u>Article 9</u> <u>In the appraisal report or the opinion of the accountant, lawyer or securities underwriter obtained by the company, the professional appraiser and its appraiser, accountant, lawyer or securities underwriter shall meet the following requirements:</u> <u>1. Have never been sentenced to fixed-term imprisonment of not less than one year for violating the Securities and Exchange Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, or the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or business crimes.</u> <u>Declared OK. However, this is not the case if the execution is completed, the probation period expires, or three years have passed since the pardon.</u> <u>2. The parties to the transaction shall not be related parties or have substantial related parties.</u> <u>3. If the company should obtain valuation reports from two or more professional appraisers, different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.</u></p> | <p>Article 9 In the appraisal report or the opinion of the accountant, lawyer or securities underwriter obtained by the company, the professional appraiser and its appraiser, accountant, lawyer or securities underwriter shall meet the following requirements: 1. Have never been sentenced to fixed-term imprisonment of not less than one year for violating the Securities and Exchange Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, or the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or business crimes. Declared OK. However, this is not the case if the execution is completed, the probation period expires, or three years have passed since the pardon. 2. The parties to the transaction shall not be related parties or have substantial related parties. 3. If the company should obtain valuation reports from two or more professional appraisers, different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.</p> | <p>According to the regulations of the competent authority, cooperate with the revision.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p><u>When issuing valuation reports or opinions, the personnel referred to in the preceding paragraph shall comply with the self-discipline regulations of their respective trade associations and the following matters:</u></p> <p><u>1. Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence.</u></p> <p><u>2. When executing a case, it should properly plan and implement the appropriate operation procedures to form a conclusion and issue a report or opinion letter accordingly; and publish the executed procedures, collected data and conclusions in the case working papers in detail.</u></p> <p><u>3. Regarding the sources of data, parameters and information used, the suitability and rationality shall be evaluated item by item, as the basis for issuing appraisal reports or opinions.</u></p> <p><u>4. Matters declared should include that the relevant personnel are professional and independent, and the information used has been assessed as appropriate</u></p> <p><u>And reasonable and in compliance with relevant laws and other matters.</u></p> | <p>When issuing a valuation report or opinion, the person referred to in the preceding paragraph shall handle the following matters:</p> <p>1. Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence.</p> <p>2. When checking a case, it should properly plan and implement the appropriate operating procedures to form a conclusion and issue a report or opinion letter accordingly; and publish the detailed procedures, collected data and conclusions in the case working paper.</p> <p>3. Regarding the sources of data, parameters and information used, the completeness, correctness and rationality of each item shall be evaluated as the basis for issuing the appraisal report or opinion letter.</p> <p>4. Statements shall include the professionalism and independence of relevant personnel, the reasonableness and correctness of the information used, and the compliance with relevant laws and regulations.</p> | |
| <p><u>Article 12</u></p> <p><u>The company acquires or disposes of real estate or its right-of-use assets from a related party, or acquires or disposes of real estate or other assets other than its right-of-use assets from a related party, and the transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets. 10% or more than NT\$300 million, in addition to buying and selling domestic government bonds, bonds with buyback and sellback conditions, and purchasing or buying back money market funds issued by domestic securities investment trust enterprises, the following materials</u></p> | <p>Article 12</p> <p>The company acquires or disposes of real estate or its right-of-use assets from a related party, or acquires or disposes of real estate or other assets other than its right-of-use assets from a related party, and the transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets. 10% or more than NT\$300 million, in addition to buying and selling domestic government bonds, bonds with buyback and sellback conditions, and purchasing or buying back money market funds issued by domestic securities investment trust enterprises, the following materials</p> | <p>According to the regulations of the competent authority, cooperate with the revision and adjust the items.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p><u>should be submitted for audit After the approval of more than half of the members of the committee and the approval of the board of directors, the committee may sign the transaction contract and make payment:</u></p> <p><u>1. The purpose, necessity and expected benefits of acquiring or disposing of assets.</u></p> <p><u>2. The reason for selecting the related person as the transaction object.</u></p> <p><u>3. Obtaining immovable property or right-of-use assets from a related party, and evaluating the reasonableness of the predetermined transaction conditions in accordance with the provisions of Articles 13 and 14.</u></p> <p><u>4. The original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.</u></p> <p><u>5. A forecast table of cash receipts and expenditures for each month in the next year from the expected contract month, and evaluate the necessity of the transaction and the rationality of the use of funds.</u></p> <p><u>6. The appraisal report issued by the professional appraiser obtained in accordance with the provisions of the preceding article, or the accountant's opinion.</u></p> <p><u>7. Restrictions on the transaction and other important agreements.</u></p> <p><u>The Company and its subsidiaries are engaged in the following transactions, and their approval authority shall be handled in accordance with the Company's "Department of Powers and Responsibilities for Internal Audit of Accounting Affairs":</u></p> <p><u>1. Acquiring or disposing of equipment for business use or its right-to-use assets.</u></p> <p><u>2. Acquiring or disposing of real estate right-to-use assets for business use.</u></p> | <p>should be submitted for audit All the committees are approved by more than half of the members and communicated by the board of directors.</p> <p>After that, you can sign the transaction contract and make payment:</p> <p>1. The purpose, necessity and expected benefits of acquiring or disposing of assets.</p> <p>2. The reason for selecting the related person as the transaction object.</p> <p>3. Obtaining immovable property or right-of-use assets from a related party, and evaluating the reasonableness of the predetermined transaction conditions in accordance with the provisions of Articles 13 and 14.</p> <p>4. The original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.</p> <p>5. A forecast table of cash receipts and expenditures for each month in the next year from the expected contract month, and evaluate the necessity of the transaction and the rationality of the use of funds.</p> <p>6. The appraisal report issued by the professional appraiser obtained in accordance with the provisions of the preceding article, or the accountant's opinion.</p> <p>7. Restrictions on the transaction and other important agreements.</p> <p>The calculation of the transaction amount in the preceding paragraph shall be carried out in accordance with the provisions of Paragraph 2 of Article 28, and the term within one year shall be based on the date of the actual occurrence of the transaction, retroactively calculated for one year, and submitted in accordance with the provisions of this procedure. With the approval of more than half of all</p> | |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p><u>The company shall fully consider the opinions of each independent director when submitting it to the board of directors for discussion in accordance with Paragraph 1. If any independent director has any objection or reservation, it shall be stated in the minutes of the board of directors meeting.</u></p> <p><u>Paragraph 1 shall apply mutatis mutandis to the provisions of Paragraph 3 and Paragraph 4 of Article 32 without the consent of more than half of all members of the Audit Committee.</u></p> <p><u>If the company or a subsidiary of a non-domestic public company has the first transaction, and the transaction amount is more than 10% of the company's total assets, the company shall submit the materials listed in the first paragraph to the shareholders' meeting for approval before proceeding. A transaction contract must be signed and payment made. However, the transaction between the company and the parent company, subsidiaries, or subsidiaries is not subject to this limitation.</u></p> <p><u>The calculation of the transaction amount in Paragraph 1 and the preceding Paragraph shall be carried out in accordance with the provisions of Paragraph 2 of Article 28, and the term within one year shall be based on the date of the actual occurrence of the transaction, retroactively calculated one year ahead, and has been calculated according to This procedure stipulates that it is submitted to the audit committee with the consent of more than half of all members, the approval of the board of directors, and the approval of the shareholders' meeting.</u></p> | <p>members of the audit committee and the approval of the board of directors, part of the audit committee will be exempted from re-counting.</p> <p>The Company and its subsidiaries are engaged in the following transactions, and their approval authority shall be handled in accordance with the Company's "Department of Powers and Responsibilities for Internal Audit of Accounting Affairs":</p> <ol style="list-style-type: none"> 1. Acquiring or disposing of equipment for business use or its right-to-use assets. 2. Acquiring or disposing of real estate right-to-use assets for business use. <p>The company shall fully consider the opinions of each independent director when submitting it to the board of directors for discussion in accordance with Paragraph 1. If any independent director has any objection or reservation, it shall be stated in the minutes of the board of directors meeting.</p> <p>Paragraph 1 shall apply mutatis mutandis to the provisions of Paragraph 3 and Paragraph 4 of Article 32 without the consent of more than half of all members of the Audit Committee.</p> | |
| <p><u>Article 28</u></p> <p><u>When the company acquires or disposes of assets under the following circumstances, it shall, according to</u></p> | <p>Article 28</p> <p>When the company acquires or disposes of assets under the following circumstances, it shall, according to</p> | <p>According to the regulations of the competent authority,</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|---|--|-------------------------------------|
| <p><u>the nature of the assets, follow the format prescribed by the FSC announcement, and the reporting department shall announce the relevant information on the website designated by the FSC within two days from the date of the occurrence of the fact:</u></p> <p><u>1. Acquire or dispose of real estate or its right-of-use assets from a related party, or acquire or dispose of real estate or other assets other than its right-of-use assets with a related party and the transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets 10/10 or more than NT\$300 million. However, this does not apply to the purchase and sale of domestic public bonds, bonds subject to repurchase or sell-back conditions, and the subscription or buy-back of money market funds issued by domestic securities investment trust enterprises.</u></p> <p><u>2. Merger, division, acquisition or share transfer.</u></p> <p><u>3. The loss from engaging in derivative commodity transactions reaches the upper limit of total or individual contract losses stipulated in the set handling procedures.</u></p> <p><u>4. Acquiring or disposing of equipment for business use or its right-to-use assets, and the transaction object is not a related party, and the transaction amount exceeds NT\$1 billion.</u></p> <p><u>5. The real estate is acquired in the form of self-contracted construction, leased-to-contract construction, co-construction and sub-house, co-construction-sharing, co-construction sub-sale, and the transaction object is not a related person, and the estimated transaction amount is NT\$500 million yuan or more.</u></p> | <p>the nature of the assets, follow the format prescribed by the FSC announcement, and the reporting department shall announce the relevant information on the website designated by the FSC within two days from the date of the occurrence of the fact:</p> <p>1. Acquire or dispose of real estate or its right-of-use assets from a related party, or acquire or dispose of real estate or other assets other than its right-of-use assets with a related party and the transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets 10/10 or more than NT\$300 million. However, this does not apply to the purchase and sale of domestic public bonds, bonds subject to repurchase or sell-back conditions, and the subscription or buy-back of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, division, acquisition or share transfer.</p> <p>3. The loss from engaging in derivative commodity transactions reaches the upper limit of total or individual contract losses stipulated in the set handling procedures.</p> <p>4. The type of assets acquired or disposed of are equipment for business use or assets of the right to use, and the transaction object is not a related party, and the transaction amount exceeds NT\$1 billion.</p> <p>5. The real estate is acquired in the form of self-contracted construction, leased land, joint-construction and sub-house, joint-construction-sharing, joint-construction and sub-sale, and the transaction object is not a related person, and the estimated transaction amount is NT\$500 million. yuan or more.</p> <p>6. Assets transactions other than the</p> | <p>cooperate with the revision.</p> |

| Clause after Amendment | Clause before Amendment | Remarks |
|--|---|---------|
| <p><u>6. Assets transactions other than the preceding five subparagraphs, the company's disposal of creditor's rights, or investment in the mainland area, and the transaction amount exceeds 20% of the company's paid-in capital or NT\$300 million or more. However, the following circumstances are not limited to this:</u></p> <p><u>(1) Buying and selling domestic public bonds or foreign public bonds with a credit rating not lower than my country's sovereign rating.</u></p> <p><u>(2) For those who specialize in investment, the trading of securities on stock exchanges or the business offices of securities firms, or the subscription of foreign public bonds in the primary market or the common corporate bonds raised and issued, and common financial bonds (excluding subordinated shares) that do not involve equity Sequence bonds), or subscribe for or buy back securities investment trust funds.</u></p> <p><u>(3) Trading bonds with buyback and sellback conditions, and subscription or buyback of money market funds issued by domestic securities investment trust enterprises.</u></p> <p><u>The transaction amount in the preceding paragraph is calculated as follows:</u></p> <p><u>1. The amount of each transaction.</u></p> <p><u>2. Accumulated amount of transactions with the same counterparty in acquiring or disposing of the same subject matter within one year.</u></p> <p><u>3. The accumulated amount of acquisition or disposal (acquisition and disposal are accumulated separately) within one year of the real estate of the same development plan or its right-of-use assets.</u></p> <p><u>4. The accumulated amount of the same securities acquired or disposed of (acquired and disposed of</u></p> | <p>preceding five subparagraphs, the company's disposal of creditor's rights, or investment in the mainland area, and the transaction amount exceeds 20% of the company's paid-in capital or NT\$300 million or more. However, the following circumstances are not limited to this:</p> <p>(1) Buying and selling domestic public bonds.</p> <p>(2) For those who specialize in investment, the trading of securities on stock exchanges or the business offices of securities firms, or the subscription and issuance of ordinary corporate bonds and ordinary financial bonds without equity (excluding subordinated bonds) in the primary market , or subscribe for or buy back securities investment trust funds or futures trust funds.</p> <p>(3) Trading bonds with buyback and sellback conditions, and subscription or buyback of money market funds issued by domestic securities investment trust enterprises.</p> <p>The transaction amount in the preceding paragraph is calculated as follows:</p> <p>1. The amount of each transaction.</p> <p>2. Accumulated amount of transactions with the same counterparty in acquiring or disposing of the same subject matter within one year.</p> <p>3. The accumulated amount of acquisition or disposal (acquisition and disposal are accumulated separately) within one year of the real estate of the same development plan or its right-of-use assets.</p> <p>4. The accumulated amount of the same securities acquired or disposed of (acquired and disposed of separately) within one year.</p> <p>The one-year period referred to in the preceding paragraph is based on the date of the actual occurrence of this transaction, and is retrospectively</p> | |

| Clause after Amendment | Clause before Amendment | Remarks |
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| <p><u>separately) within one year.</u> <u>The one-year period referred to in the preceding paragraph is based on the date of the actual occurrence of this transaction, and is retrospectively calculated for one year, and the part that has been announced in accordance with the provisions of this standard is exempt from re-counting.</u> <u>The company shall, on a monthly basis, enter the information reporting website designated by the Financial Regulatory Commission before the 10th of each month in accordance with the prescribed format of the company and its subsidiaries that are not domestic public offering companies engaged in derivative commodity transactions as of the end of the previous month.</u> <u>If there are errors or omissions in the announcement of the items that should be announced and should be corrected, the company should re-announce and declare all the items within two days from the day it becomes aware of it.</u> <u>When the company acquires or disposes of assets, it shall keep the relevant contracts, minutes, reference books, valuation reports, and opinions of accountants, lawyers or securities underwriters in the company, and save for at least 5 years unless otherwise provided by other laws.</u></p> | <p>calculated for one year, and the part that has been announced in accordance with the provisions of this standard is exempt from re-counting. The company shall, on a monthly basis, enter the information reporting website designated by the Financial Regulatory Commission before the 10th of each month in accordance with the prescribed format of the company and its subsidiaries that are not domestic public offering companies engaged in derivative commodity transactions as of the end of the previous month.</p> <p>If there are errors or omissions in the announcement of the items that should be announced and should be corrected, the company should re-announce and declare all the items within two days from the day it becomes aware of it.</p> <p>When the company acquires or disposes of assets, it shall keep the relevant contracts, minutes, reference books, valuation reports, and opinions of accountants, lawyers or securities underwriters in the company, and save for at least 5 years unless otherwise provided by other laws.</p> | |

Appendix 1

Union Bank of Taiwan Shareholders Meeting Procedure Rules

1. In order to establish a good governance system of the shareholders' meeting, improve the supervisory function and strengthen the management function of the Bank, these Rules are formulated in accordance with the provisions of the Code of Practice for Corporate Governance of Listed Companies for compliance.
2. Unless otherwise stipulated by laws and regulations and the Articles of Association of the Bank, the rules of procedure for the shareholders' meeting of the Bank shall be implemented in accordance with these rules.
3. Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the Bank shall be convened by the board of directors.

The Bank shall, 30 days before the ordinary shareholders' meeting or 15 days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the proxy paper, the reasons and explanatory materials for the resolutions related to recognition, discussion, election or dismissal of directors, etc. Produced as an electronic file and sent to the Public Information Observatory. Twenty-one days before the ordinary shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, the shareholders' meeting procedure manual and supplementary materials of the meeting shall be prepared as electronic files and sent to the public information observatory. Fifteen days before the shareholders' meeting, prepare the current shareholders' meeting procedure manual and meeting supplementary materials for shareholders to request at any time, display them in the Bank and the professional stock agency appointed by the Bank, and distribute them at the shareholders' meeting. The notice and announcement shall specify the reason for the convening; if the notice is approved by the counterparty, it may be done electronically. Election or dismissal of directors, change of articles of association, capital reduction, application for cessation of public offering, directors' non-compete license, capital increase from surplus, capital increase from public reserves, company dissolution, merger, division, or the first paragraphs of Item 185 of the Company Law, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Issuer's Handling Standards for Offering and Issuing Securities shall be listed in the reasons for convening. The main content shall not be proposed as an interim motion; the main content may be placed on the website designated by the securities regulatory authority or the Bank, and the website address shall be stated in the notice. The reasons for convening the general meeting of shareholders have stated the general re-election of directors and the date of their inauguration. After the re-election of the shareholders' meeting is completed, the same meeting shall not change the date of their inauguration by temporary motions or other means. Shareholders holding more than 1% of the total issued shares may submit a written proposal to the Bank for the general meeting of shareholders. However, it is limited to one item, and any proposal with more than one item will not be included in the proposal. However, the shareholders' proposal is a proposal to urge the Bank to enhance public interests or fulfill its social responsibilities, and the board of directors may still include it in the proposal. In addition, the proposal proposed by the shareholders falls under one of the circumstances of Article 172-1, Item 4 of the Company Law, and the board of directors may not list it as a proposal. The Bank shall announce the acceptance of the shareholder's proposal, the method of acceptance, the place of acceptance and the acceptance period prior to the date of suspension of share transfer before the ordinary shareholders' meeting; the acceptance period shall not be less than ten days. Proposals proposed by shareholders

shall be limited to 300 words, and those exceeding 300 words shall not be included in the proposal; the proposing shareholders shall attend the general meeting of shareholders in person or by proxy, and participate in the discussion of the proposal. The Bank shall notify the proposing shareholders of the handling results prior to the date of the notice of convening the shareholders' meeting, and list the resolutions in compliance with the provisions of this article in the meeting notice. For shareholder proposals that are not included in the resolutions, the board of directors shall explain the reasons for not including them at the shareholders' meeting.

4. Shareholders may issue a power of attorney issued by the Bank at each shareholders meeting, specifying the scope of authorization and entrusting a proxy to attend the shareholders meeting.

A shareholder shall issue one proxy letter, limited to one person entrusting the proxy, which shall be delivered to the Bank five days before the shareholders' meeting. In the event of repeated proxy forms, the one that is served first shall prevail. However, it is not limited to those who declare to revoke the previous entrustment.

After the power of attorney is delivered to the Bank, shareholders who wish to attend the shareholders' meeting in person or to exercise their voting rights in writing or electronically shall notify the Bank in writing of revocation of the proxy two days before the shareholders' meeting; The voting rights exercised by attendance shall prevail.

5. The venue of the shareholders' meeting shall be the location of the Bank or a venue that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall start no earlier than 9:00 a.m. or later than 3:00 p.m.
6. The Bank shall specify in the meeting notice the time for the acceptance of the shareholder's registration, the location of the registration office and other matters that should be noted. The time for accepting shareholders' registration in the preceding paragraph shall be made at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it. The Bank shall set up a signature book for the attending shareholders themselves or their proxies (hereinafter referred to as shareholders) to sign in, or the attending shareholders shall hand in their sign-in cards to sign in on their behalf. The Bank shall deliver the procedure manual, annual report, attendance certificate, speech slip, votes and other meeting materials to shareholders present at the shareholders' meeting; if there is an election of directors, an additional ballot shall be attached. Shareholders should present the attendance certificate, attendance card or other attendance certificate to attend the shareholders' meeting. The Bank shall not arbitrarily add other certificates to the certificates relied on by shareholders to attend; the applicant who is soliciting the power of attorney should bring along the identity certificate. , for verification. When the government or legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend the meeting.
7. If the shareholders' meeting is convened by the board of directors, the chairman of the board of directors shall serve as the chairman. If the chairman of the board of directors requests leave or cannot exercise his power for any reason, the vice-chairman shall act on his behalf. When exercising functions and powers, the chairman of the board shall designate a managing director to act as an agent; if there is no managing director, a director shall be appointed to act as an agent, and if the chairman does not designate an agent, the managing director or one of the directors shall be appointed as an agent. The chairman of the preceding paragraph shall be a managing director or a director who has

served for more than six months and who has an understanding of the company's financial and business conditions. The same applies if the chairman is the representative of the corporate directors. The chairman of the board of directors shall preside over the shareholders' meeting convened by the board of directors in person, and more than half of the directors of the board of directors shall be present in person and at least one representative of the members of various functional committees shall be present, and the attendance shall be recorded in the minutes of the shareholders' meeting. If the shareholders meeting is convened by a person with the right to convene other than the board of directors, the chairman shall be the person with the right to convene. The Bank may designate appointed lawyers, accountants or relevant personnel to attend the shareholders' meeting.

8. The Bank shall record and videotape the shareholders' registration process meeting and the whole process of voting and counting from the time of acceptance of shareholders' registration. The audio-visual materials in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.
9. Attendance at the shareholders meeting shall be calculated on the basis of shares. The number of shares present shall be calculated based on the signature book or the paid-in attendance card, plus the number of shares for which voting rights are exercised in writing or electronically. When the meeting time has expired, the chairman shall announce the meeting. However, when shareholders representing more than half of the total issued shares are not present, the chairman may announce that the meeting will be postponed. The number of postponements shall be limited to two times, and the total postponement time shall not exceed one. Hour. If there are not enough shareholders representing more than one third of the total number of issued shares to attend after the second delay, the chairman will announce the adjournment of the meeting. If the number of shareholders who represent more than one-third of the total number of issued shares is present after the second delay in the preceding paragraph, a false resolution may be made in accordance with Paragraph 1 of Article 175 of the Company Law, and the false resolution shall be notified to each party. The shareholders shall convene another shareholders' meeting within one month. Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may make a false resolution in accordance with Article 170 of the Company Law. Article 4 stipulates that it shall be re-submitted to the shareholders' meeting for voting.
10. If the shareholders' meeting is convened by the board of directors, its agenda shall be determined by the board of directors, and relevant proposals (including interim motions and amendments to original proposals) shall be voted on a case-by-case basis. Change it. If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply mutatis mutandis. Before the meeting (including provisional motions) is concluded, the chairman shall not announce the adjournment of the meeting without a resolution; if the chairman violates the rules of procedure and announces the adjournment of the meeting, the other members of the board of directors shall promptly assist the shareholders attending the meeting in accordance with the legal procedures to avoid the meeting. More than half of the voting rights of shareholders present agree to nominate one person to be the chairman and continue the meeting. The chairman shall give sufficient explanation and discussion opportunities for the proposal and the amendment or interim motion proposed by the shareholders. When he deems that the resolution has reached the level of voting, he may

announce the suspension of discussion, put forward for voting, and arrange a suitable time for voting.

11. Before attending a shareholder's speech, a speech must be filled out, stating the gist of the speech, the shareholder's account number (or the attendance certificate number and account name, and the chairman will determine the order of their speeches. If the attending shareholders only provide a speech without speaking, it will be deemed as No speech. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail. Each shareholder of the same proposal shall not make more than two speeches without the consent of the chairman, and each time shall not exceed five minutes, except that the shareholder's speech violates the regulations or exceeds the agenda. The chairman may stop him from speaking. When a shareholder is present, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder. The chairman shall stop the violation. When a corporate shareholder designates two or more representatives to attend the shareholders meeting, the same motion can only be pushed by one person to speak. After the shareholders who attended the speech, the chairman may reply in person or designate a relevant person.
12. Voting at the shareholders' meeting shall be calculated on the basis of shares. The number of shares of shareholders without voting rights shall not be included in the total number of issued shares in the resolution of the shareholders' meeting. Shareholders who have their own interests in the matters of the meeting and may be harmful to the interests of the Bank shall not participate in voting, and shall not exercise their voting rights on behalf of other shareholders. The number of shares for which voting rights are not exercised in the preceding paragraph shall not be included in the number of voting rights of shareholders present. Except for a trust enterprise or a stock agency approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the issued shares. Not counted.
13. Shareholders have one voting right per share; however, for those with restricted or no voting rights, when the Bank convenes a general meeting of shareholders, the Bank shall use electronic means and may exercise its voting rights in writing; When exercising voting rights, the method of exercising it shall be specified in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the provisional motion of the shareholders meeting and the amendment of the original motion shall be deemed as abstention. In the case of exercising voting rights in writing or electronically in the preceding paragraph, the statement of intent shall be delivered to the company two days before the shareholders' meeting. However, those who express their intentions before the declaration of revocation are not subject to this limitation. After the shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they shall revoke the declaration of intention to exercise the voting rights in the preceding paragraph in the same manner as when exercising the voting rights two days before the shareholders' meeting; voting rights shall prevail. If the voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting by proxy, the voting rights that are entrusted to attend and exercise shall prevail. Unless otherwise stipulated by the Company Law and the Articles of Association of the Bank, voting on a resolution shall be passed with the consent of more than half of the voting rights of the shareholders present. When voting, the chairman or his designee shall announce the total number of voting

rights of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis. When there are amendments or alternatives to the same motion, the chairman shall determine the order of voting on the same motion as the original motion. If one of the motions has been passed, the other motions are deemed to be rejected and no further voting is required. The scrutineer and vote-counter for voting on the resolution shall be designated by the chairman, but the scrutineer shall have the identity of a shareholder. The counting of votes for votes or election proposals at the shareholders' meeting shall be done in a public place at the shareholders' meeting, and after the counting of votes is completed, the voting results shall be announced on the spot, including the weight of the statistics, and a record shall be made.

14. When the shareholders' meeting elects directors, it shall be handled in accordance with the relevant selection and appointment regulations set by the Bank, and the election results shall be announced on the spot, including the list of elected directors and their right to be elected. The ballots for the election matters mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, and shall be properly kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.
15. The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and shall be distributed to all shareholders within 20 days after the meeting. The production of minutes can be done electronically. The distribution of minutes of proceedings can be done by entering the public notice of the public information observatory. The minutes of the meeting should be based on the year, month, day, venue, name of the chairman, method of resolution, and the proceedings of the meeting.

The essentials and voting results (including statistical weights) shall be recorded. When there is an election of directors, the number of votes obtained by each candidate shall be disclosed. During the existence of the Bank, it shall be kept permanently.

16. The number of shares acquired by the solicitor and the number of shares represented by the proxy shall be clearly disclosed at the shareholders meeting in a statistical table prepared by the Bank in accordance with the prescribed format on the day of the shareholders meeting. If the resolutions of the shareholders' meeting are material information stipulated by laws and regulations or the Taiwan Stock Exchange Corporation, the Bank shall transmit the content to the Public Information Observatory within the specified time.
17. The executives handling the shareholders' meeting shall wear identification cards or armbands. The chairman may direct pickets or security personnel to assist in maintaining order at the venue. When the pickets or security personnel are present to assist in maintaining order, they should wear an armband or identification card with the word "picket". If the venue is equipped with amplifying equipment, the chairman may stop the shareholders from speaking on the equipment provided by the Bank. If a shareholder violates the rules of procedure and refuses to obey the chairman's corrections, and obstructs the progress of the meeting and fails to comply, the chairman may direct the pickets or security personnel to ask them to leave the venue.
18. When the meeting is in progress, the chairman may decide to announce a break. In the event of force majeure, the chairman may decide to suspend the meeting temporarily, and announce the time for the meeting to resume according to the situation. If the agenda of the shareholders' meeting is not concluded, the venue for the meeting will not be able to continue to be used, and the shareholders' meeting may decide to find another venue to continue the meeting. The shareholders meeting may, in accordance with Article 182 of

the Company Law, decide to postpone or renew the meeting within five days.

19. These Rules shall come into force after being approved by the shareholders' meeting, and the same shall apply to amendments.

Attached table: revision history

| | | |
|----------|---|---|
| 1 | Established on December 10, 1991 | Passed by the Founding meeting |
| 2 | Amended on April 20, 1998 | Passed by the shareholders meeting |
| 3 | Amended on April 23, 2010 | Passed by the shareholders meeting |
| 4 | Amended on June 22, 2012 | Passed by the shareholders meeting |
| 5 | Amended on June 26, 2015 | Passed by the shareholders meeting |
| 6 | Amended on July 20, 2021 | Passed by the shareholders meeting |

Union Bank of Taiwan

Articles of Association

Appendix 2

Chapter 1 General

- Article 1. The Bank is organized in accordance with the Company Act and the Banking Act and is named Union Bank of Taiwan.
- Article 2. The Bank is headquartered in Taipei City and may, as required for business, set up branches or offices in proper domestic and overseas locations. The establishment, cancellation or change of any such branch or office shall be subject to board resolution and approval by the competent authority.
- Article 3. The bank's announcement method can be published on newsprint or electronic newsletter, or on a website established or designated by the central competent authority. The provisions of the preceding paragraph shall be followed if the securities regulatory authority has other provisions.

Chapter 2 Shares

- Article 4. The total rated capital of the bank is NT\$45 billion, divided into 4.5 billion shares, each with a par value of NT\$10, divided into ordinary shares and special shares, which are issued in installments.
- Article 5. All of the Bank's shares are registered shares and shall be issued after the signatures or seals of the Chairman and two or more managing directors are affixed and following certification in accordance with the law. The Bank is not obliged to print share certificates for registered shares it issues. However, the shares shall be registered or kept by a securities custodian organization.
- Article 5-1 The rights & obligations of Preferred share and other important issuance conditions of the Bank shall be as follows:
1. If there is a surplus in the Bank's annual statement, in addition to paying income tax in accordance with the law, after making up the annual losses of previous years, setting the statutory surplus reserve and setting or recovering the Preferred surplus reserve in accordance with the provisions of Article 39 of the Articles of Association, the balance shall be hereto given priority to the allocation of dividends on Preferred shares in the current year.
 2. The upper limit of dividends on Preferred shares shall be up to 8% of the annual rate, which can be calculated according to the issue price per share; the dividends may be paid in one lump sum in cash each year; after the financial report has been accepted by the board of directors at the annual regular meeting of stockholders, the dividends payable over the previous year will be paid at the base date as set out by the board of directors. The dividends of issuance year and recovery year can be calculated according to the actual number of days of issuance in the current year.
 3. The Bank shall distribute the dividends on Preferred shares at its discretion. If the dividends are distributed due to the absence of surplus or non-surplus in the Bank's annual final accounts, or if the distribution of dividends on Preferred shares will result in the Bank's capital adequacy ratio below the minimum requirements as stipulated in the Decree or by the Competent Authority, or based on any other necessary considerations, the Bank must make resolutions on non-distribution of dividends on Preferred shares; the Preferred shareholders shall not raise objection to such resolutions; the non-distributed or distributed under-dividends shall not be accumulated in deferred payment from the surplus in subsequent years.
 4. Apart from receiving the dividends as stated in Paragraph 2 of this Item, the Preferred shareholders shall not participate in the distribution of surplus and capital reserve in

cash and appropriation of capital on ordinary shares.

- 5.The order of distributing the Bank's residual properties to the Preferred shareholders takes precedence over the ordinary shareholders, and is the same as the order of compensating the shareholders holding the Preferred shares issued by the Bank, whichever is next to the order of compensating the general creditors, but limited to the issue amount.
- 6.The Preferred shareholders have no voting rights and rights of election, but have the right to vote at the Preferred Shareholders meeting or the Shareholders meeting involved in the rights and obligations of Preferred shareholders.
- 7.The Preferred share shall not be converted into the ordinary share. Also, the Preferred shareholders shall not request the Bank to recover the rights of Preferred shares held by such Preferred shareholders.
- 8.The Preferred shares refer to the undated shares which may be recovered by the Bank in whole or in part as per the original actual issuing price at any time from the next day after the expiry of five-year term of issuance. The non-recovered Preferred shares will still have rights and obligations as set out in the issuance conditions of this Article. In the same year in which the Preferred shares are recovered, if a resolution on payment of dividends is made at the Shareholder meeting of the Bank, as of the recovery date, the dividends will be paid, which can be calculated according to the actual number of days issuance in the same year.

The board of directors shall be authorized to determine the name, issuing date and specific issuance conditions of Preferred share in respect of the capital market conditions and the subscription willingness of investors in accordance with the provisions of Articles of Association of the Bank and other relevant laws & regulations.

Article 6.The Bank's share dividend of ordinary share is 6% per year. However, no dividend shall be distributed unless there is profit.

Article 7.If any share of the Bank is held by the same person or the same affiliate individually or in a joint or combined manner, a filing or application for approval shall be made in accordance with the Banking Act. If no filing or application for approval is made as stipulated, the exceeding portion shall not be entitled to voting rights and the competent authority shall order disposal before a deadline.

Any matter that is not stipulated under the previous paragraph shall be handled in accordance with the applicable laws of the competent authority.

Article 8.The Bank's shareholder service shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 9.Registration for share transfer shall be suspended during a period of 60 days before a general shareholders meeting, 30 days before a Preferred shareholders meeting and 5 days before the record date for distribution of dividend or bonus.

The periods under the previous paragraph shall start from the date of the meeting or the record date.

Chapter 3 Business

Article 10.The Bank operates the following business:

H101021 Commercial banking business.、H601011 Personal insurance agent、H601021 Property insurance agent

- 1.Commercial banking business。
- 2.Personal insurance agent business
- 3.Property insurance agent business
- 4.The other related business that issued by authority.

Chapter 4 Shareholders Meeting

Article 11. The Bank's shareholder meetings are divided into general meetings and Preferred meetings. General meetings are held once every year within 6 months from the end of the accounting year. Preferred meetings are held in accordance with the law as required. To convene a general shareholders meeting, a notice shall be given to each shareholder 30 days in advance. To convene a Preferred shareholders meeting, a notice shall be given to each shareholder 15 days in advance. For shareholders holding less than 1,000 shares, the above notices may be given by public announcements. The notice and public announcement shall specify the reason for convening the meeting. With the consent of the recipient, the notice may be given electronically. When necessary, the Preferred Shareholders meeting shall be held in accordance with the provisions of relevant laws & regulations.

Article 12. Any shareholder of the Bank that cannot attend a shareholders meeting for any reason may issue a proxy printed by the Bank, specifying the scope of authorization and designating a representative to attend the shareholders meeting. The Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies shall also be applicable.

Article 13. The chairman shall chair shareholder meetings. If the chairman cannot attend the meeting for any reason, the chairman shall designate one managing director to chair the meeting. If the chairman does not make such designation, the managing directors shall appoint one person from among themselves. If the meeting is convened by any other person entitled to convene the meeting other than the board of directors, such person entitled to convene the meeting shall chair the meeting. If the meeting is convened by two or more persons entitled to convene the meeting, one person shall be elected to chair the meeting.

Article 14. Other than the shares with no voting rights under Article 179 of the Company Act, each shareholder of the Bank is entitled to one voting right per share.

Article 15. The shareholders meeting shall resolve and execute the following matters:

- (1) Establishment and amendment of these articles of association of the Bank.
- (2) Resolution about capital increase or decrease.
- (3) Election of directors.
- (4) Audit and approval of the statements prepared by the board of directors and audit report by the audit committee. To audit the statements and report, the shareholders meeting may select auditors.
- (5) Resolution to distribute profit, dividend and bonus.
- (6) Other resolutions in accordance with the Company Act.

Article 16. Unless otherwise provided by law, shareholder resolutions shall be approved by the shareholders representing the majority of voting rights represented in a meeting that is attended by shareholders representing the majority of all outstanding shares. If the attending shareholder does not constitute the number required under the previous paragraph and if the meeting is attended by shareholders representing 1/3 or more of all outstanding shares, the attending shareholders may reach a provisional resolution by the majority of voting rights. The provisional resolution shall be provided to each shareholder and a shareholders meeting may be convened again within one month. In the shareholders meeting under the previous paragraph and in relation to the provisional resolution, if the meeting is attended by shareholders representing 1/3 or more of all outstanding shares, an approval by the shareholders representing the majority of voting rights shall be deemed a resolution under the first paragraph.

Article 17. Shareholder resolutions shall be recorded in minutes, which shall be affixed with the

signature or seal of the chairman and distributed to all shareholders within 20 days from the meeting. The minutes may be prepared in an electronic manner.

The distribution of the minutes under the previous paragraph may be made through public announcement.

The minutes shall record the year, month, date and location of the meeting, the name of the chairman, the method of resolution, the main proceedings and results of the meeting and shall be maintained together with the signature sheets showing attending shareholders and proxies.

Chapter 5 Board of Directors

Article 18. The Bank has 9 to 15 directors, who constitute the board of directors. Directors serve terms of three years, are subject to the system of candidate nomination. Upon expiry, the same person may be re-elected. The directors shall be elected by the shareholders meeting from a list of director candidates. However, the election criteria established by the competent authority shall apply. The board of directors is authorized to establish and adopt the election rules following approval by the shareholders meeting.

Article 18-1 Among the directors of the bank, at least 3 and no more than 1/5 shall be independent directors, to be elected by the shareholders from a list of independent director candidates under the system of candidate nomination.

The professional qualifications, shareholding, restriction on other positions, nomination and election method and other compliance matters in relation to independent directors shall be in accordance with the applicable regulations of the competent authority.

An audit committee of the Bank is put in place starting from the 9th term of the board of directors. The audit committee shall be composed of all independent directors. There shall be not less than 3 members, among which 1 shall serve as the chairman and at least 1 person shall possess accounting or finance specialty. The duties, organizational charter, exercise of duties and other compliance matters of the audit committee shall be in accordance with the applicable laws and company charters.

Article 19. When there is a vacancy of 1/3 or more in the number of directors, a Preferred shareholders meeting shall be convened within 60 day for re-election. The term of the re-elected persons shall be the same as the original term.

Article 20. 3-5 managing directors shall be elected from among directors and by the majority of directors attending a meeting that is attended by 2/3 or more directors. One chairman shall be elected from among the managing directors and by the majority of managing directors attending a meeting that is attended by 2/3 or more managing directors. The chairman represents the Bank.

There shall be at least one independent director among the managing directors. At least 1/5 of the managing directors shall be independent directors.

Article 21. The board of directors is authorized to pay remuneration of the chairman, managing directors and directors based on the industry standard, regardless of whether there is profit.

Article 22. The duties of the board of directors are as follows:

- (1) Review and determination of main charters.
- (2) Review and determination of important business and the planning thereof.
- (3) Determination of capital increase or decrease.
- (4) Decision to set up, cancel or change any department of the Bank.
- (5) Review and determination important contracts.
- (6) Establishment of budget and closing.
- (7) Decision about real property transactions.
- (8) Preparation of profit distribution proposal.

(9) Review and determination of hiring and dismissal of managers and main staff.

(10) Matters to be determined as instructed by the chairman.

(11) Other duties granted by law or shareholders meeting.

Article 23. Board meetings shall be held at least once every quarter. In case of emergency or pursuant to the request by the majority of directors, special meetings may be held. Unless otherwise provided by law, meetings shall be convened by the chairman. To convene a board meeting, notice shall be sent to all directors in writing, by email or by fax. If the chairman cannot attend the meeting due to any reason, the chairman shall designate one managing director. If no designation is made, the managing directors shall elect one person from among themselves to perform the chairman's duty.

Article 24. Any director that cannot attend a board meeting due to any reason may designate another director as his representative to attend the meeting. However, for each representation, a proxy shall be issued, specifying the scope of authorization for the agenda of the meeting. Each director shall represent no more than one other director in accordance with the above proxy. If a board meeting is held in video conference, the directors participating in the meeting through video conference shall be deemed to have attended the meeting in person.

Article 25. Unless otherwise provided by law, board resolutions shall be approved by the majority of directors attending a meeting that is attended by the majority of all directors. If a director has any interest in any matter in the meeting, a statement shall be provided in the meeting about the main aspects of such interest.

Article 26. Board proceedings shall be recorded in minutes, which shall be affixed with the signature or seal of the chairman and distributed to all directors within 20 days from the meeting. The minutes shall record the year, month, date and location of the meeting, the name of the chairman, the method of resolution, the main proceedings and results of the meeting and shall be maintained together with the signature sheet showing attending directors and proxies.

The minutes may be prepared, distributed and maintained in electronic manners.

Article 27. The president and vice president shall be asked to participate in board meetings. However, such participants shall have no voting rights.

Article 28. During recess of the board of directors, the managing directors shall perform the duties of the board of directors regularly through meetings based on the division of responsibilities in accordance with the law, these articles of association, shareholder resolutions and director resolutions (except for matters involving significant interest to the Bank).

Article 29. The chairman may convene and chair meetings of the managing directors at any time. If the chairman cannot attend the meeting, the chairman shall designate one managing director. If there is no such designation, the managing directors shall appoint one person from among themselves.

Article 30. Unless otherwise provided by law, resolutions of the meetings of managing directors shall be approved by the majority of managing directors attending a meeting that is attended by the majority of all managing directors. The minutes shall be affixed with the signature or seal of the chairman.

Article 31. The president and vice president shall be asked to participate in meetings of the managing directors. However, such participants shall have no voting rights.

Article 32. The Bank has an audit department that reports to the board of directors and is directed by the chief auditor. The audit department handles audit activities in an independent and impartial manner. The position is the same level as the vice president. The auditors shall not perform any other duty that is in conflict with or that interferes with the audit work.

Article 33. The hiring, dismissal or relocation of the chief auditor shall be approved by the board of directors through 2/3 or more of the directors and shall be subject to the approval of the competent authority.

To seek sound decision-making functions and reinforced management mechanism, the Bank may put in place an audit committee, remuneration committee and other functional committees in consideration of the size of the board of directors and the number of independent directors.

The exercise of duties by the functional committees and other compliance matters shall be in accordance with applicable laws and company charters.

Chapter 6 Managers

Article 34. The Bank has one president, responsible for managing the activities of the Bank pursuant to board resolutions. There are also several vice presidents, assistance managers, managers and deputy managers, who assist the president in the handling of the activities of the Bank. The hiring, dismissal and remuneration of the president, vice presidents, assistant managers, managers and deputy managers shall be subject to the approval by the board of directors through approval by the majority of all directors.

Article 35. If the president cannot perform his duties due to any reason, the chairman shall designate one person from among the vice presidents to perform his duties.

Article 36. If required by the business, the president may ask the chairman to hire accountants as accounting advisors, lawyers as legal advisors or persons knowledgeable about the industry as advisors to the Bank.

Chapter 7 Accounting

Article 37. The Bank's accounting year starts from 1 January of each year and ends on 1 December of the same year. Upon completion of each accounting year, the following statements shall be prepared, reviewed by the board of directors and sent to the audit committee or the accountant hired by the audit committee for audit 30 days before the general shareholders meeting. Then the statements shall be submitted to the general shareholders meeting for approval. Within 15 days from approval by the general shareholders meeting, the statements shall be submitted to the central competent authority and central bank for reference. The balance sheet shall be published.

(1) Business report.

(2) Financial statements.

(3) Profit distribution or loss compensation proposal.

Article 38. If the Bank has profit at year-end closing, the board of directors shall, in consideration of the operating performance of the current year, provide employee remuneration and director remuneration in the following manner:

(1) Employee remuneration: Between 1-5% of the profit; if employee remuneration is paid in stock, the beneficiaries may include employees of subsidiaries that meet certain conditions. The board of directors is authorized to determine such conditions.

(2) Director Remuneration: No more than 0.1% of the profit.

The board of directors is authorized to determine the manner of distribution of the employee remuneration and director remuneration under the previous paragraph. However, if the Bank has accumulated losses, provision shall first be made to compensate the losses before employee remuneration and director remuneration are provided based on the ratios under the previous paragraph.

Article 39. If the Bank has profit at year-end closing, in addition to paying income tax in accordance with the law, losses from prior years should first be compensated. Then 30% shall be provided as legal reserve. Special reserve may also be provided in accordance with the law or as required for business. The remaining amount, together with the accumulated

undistributed profit from the previous year, shall be subject to a profit distribution proposal to be prepared by the board of directors and submitted to the shareholders meeting for resolution of the distribution of shareholder dividend and bonus. The dividend and shareholder bonus under the first paragraph shall be distributed in cash or in stock, as determined by the board of directors based on the financial status at the time, future profitability status and capital budget planning of the Bank. In principle, if the ratio between the Bank's own capital and risky asset after distribution will be lower than the ratio stipulated by the competent authority by 1%, stock dividend may be issued in priority; before the level reserve reaches the amount of total capital, profit distribution in cash shall not exceed 15% of total capital.

Article 40. When the legal reserve provided has reached the capital amount, no provision needs to be made for the current period.

Chapter 8 Miscellaneous

Article 41. The organizational charter, levels of responsibility and other charters of each department of the Bank shall be established by the board of directors.

Article 42. Any matter that is not stipulated in these articles of association shall be handled in accordance with the Banking Act, the Company Act and applicable laws.

Article 43. These articles of association were established on 20 August 1990. The first amendment was made on 24 April 1993. The second amendment was made on 12 April 1995. The third amendment was made on 23 April 1996. The fourth amendment was made on 18 April 1997. The fifth amendment was made on 20 April 1998. The sixth amendment was made on 3 May 1999. The seventh amendment was made on 10 May 2000. The eighth amendment was made on 19 April 2001. The ninth amendment was made on 17 June 2002. The tenth amendment was made on 27 May 2003. The eleventh amendment was made on 11 June 2004. The twelfth amendment was made on 9 June 2006. The thirteenth amendment was made on 15 June 2007. The fourteenth amendment was made on 13 June 2008. The fifteenth amendment was made on 19 June 2009. The sixteenth amendment was made on 23 April 2010. The seventeenth amendment was made on 9 June 2011. The eighteenth amendment was made on 22 June 2012. The nineteenth amendment was made on 6 June 2014. The twentieth amendment was made on 26 June 2015. The twenty-first amendment was made on 8 June 2016. The twenty-second amendment was made on 20 June 2017. The twenty-third amendment was made on May 31, 2019. The twenty-fourth amendment was on May 28, 2020.

Acquiring or disposing of asset handlers

Approved by the shareholders meeting on May 27, 2003
 Approved by the shareholders meeting on June 15, 2007
 Approved by the shareholders meeting on June 22, 2012
 Approved by the shareholders meeting on June 6, 2014
 Approved by the shareholders meeting on June 20, 2017
 Approved by the shareholders meeting on May 31, 2019

Chapter 1 General Provisions

Article 1 The handling of assets acquired or disposed of by the Company shall be handled in accordance with these handling procedures and the "Guidelines for the Handling of Assets Acquired or Disposed of by Public Companies" (hereinafter referred to as the Standards) promulgated by the Financial Supervisory Commission (hereinafter referred to as the Financial Supervisory Commission).

However, if there are other provisions in financial-related laws and regulations, such provisions shall prevail.

Article 2 The scope of application of the assets referred to in this procedure is as follows:

1. Investment in stocks, public bonds, corporate bonds, financial bonds, marketable securities of commendation funds, depositary receipts, call (put) warrants, beneficiary securities and asset-based securities.
2. Real estate (including land, houses and buildings, investment real estate) and equipment.
3. Membership certificate.
4. Intangible assets such as patent rights, copyrights, trademark rights, and franchise rights.
5. Right-of-use assets.
6. Creditor's rights of financial institutions (including receivables, discounts on foreign exchange purchases, loans, and collections).
7. Derivative commodities.
8. Assets acquired or disposed of through merger, division, acquisition or share transfer in accordance with the law.
9. Other important assets.

Article 3 The terms used in this processing procedure are defined as follows:

1. Derivatives: refers to forward contracts, option contracts, futures whose value is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables. Contracts, leveraged margin contracts, exchange contracts, combinations of the above, or combination contracts or structured commodities embedded in derivative commodities. The so-called forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sale) contracts.
2. Assets acquired or disposed of in accordance with legal merger, division, acquisition or transfer of shares: refers to assets acquired or disposed of in accordance with merger, division or acquisition in accordance with the Enterprise Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act or other laws, or issue new shares in accordance with Article 156-3 of the Company Act to acquire the shares of another company (hereinafter referred to as the transfer of shares).
3. Related parties and subsidiaries: should be identified in accordance with the financial

reporting standards for securities issuers.

4. Professional appraisers: refer to real estate appraisers or other persons who are legally allowed to engage in real estate and equipment appraisal business.
5. Date of Fact Occurrence: refers to the date of signing the transaction, the date of payment, the date of entrusted transaction, the date of transfer of account, the date of resolution of the board of directors, or any other date that is sufficient to determine the transaction object and transaction amount, whichever is the former. However, for investors that need to be approved by the competent authority, the above opening date or the date of receiving the approval from the competent authority shall prevail.
6. Investment in the Mainland Area: refers to the Mainland investment made in accordance with the provisions of the Investment Review Committee of the Ministry of Economic Affairs in the Mainland Area for Investment or Technical Cooperation Licensing Regulations.
7. Those who specialize in investment: refers to financial holding companies, banks, insurance companies, securities financial companies, trust companies, securities firms operating proprietary or underwriting businesses, and operating self-operated or underwriting businesses that are established in accordance with laws and managed by local financial authorities. Proprietary futures brokers, securities investment trust enterprises, securities investment consulting enterprises and fund management companies.
8. Stock exchanges: domestic stock exchanges refer to the Taiwan Stock Exchange Co., Ltd.; foreign stock exchanges refer to any organized securities trading market under the management of the securities authority of that country.
9. Business office of a securities firm: The business office of a domestic securities firm refers to a place where securities firms set up special counters to conduct transactions in accordance with the Measures for the Administration of the Trading of Securities on the Business Offices of Securities Firms; The business premises of financial institutions operating securities business.

Chapter II Acquisition or Disposal of Assets

Article 4 When the company acquires or disposes of assets within the scope mentioned in Article 2, in addition to the evaluation and operation procedures that have been stipulated separately, in accordance with the provisions of this processing procedure, the responsible department shall submit its evaluation methods and operating procedures and other information, submitted to the board of directors for approval and approval. During the adjournment of the board of directors, it shall be approved by the executive board of directors and reported to the board of directors for future reference. The items to be recorded in the evaluation and operation procedures of the preceding paragraph are as follows:

1. Evaluation procedures: including the price decision method and reference basis, etc.
2. Operating procedures: including authorization limit, level, execution unit and transaction process, etc.

The total amount and limit of the real estate and its right-of-use assets acquired by the Company that are not for business use shall be handled in accordance with the Banking Act and relevant regulations.

The total amount of securities obtained by the Company and the limit of individual securities shall be handled in accordance with the "Investment Policy of the Bank" and its relevant regulations.

The company's related party transactions, derivatives transactions, business mergers, divisions, acquisitions, or share transfers shall be handled in accordance with the

relevant operating regulations, in addition to complying with the provisions of Chapters 3 to 5 of this handling procedure.

The company shall urge its subsidiaries to formulate and implement procedures for the acquisition or disposal of assets in accordance with the provisions of these Standards, and to control the acquisition or disposal of assets of subsidiaries in accordance with the "Bank's Supervision and Control Operation Guidelines for Subsidiaries".

Article 5 The acquisition or disposal of assets by the company shall be approved by the board of directors in accordance with these handling procedures or other regulations. If a director expresses objection and there is a record or written statement, the information on the director's objection shall be sent to the audit committee.

When the transaction of assets acquired or disposed of in accordance with the preceding paragraph is submitted to the board of directors for discussion, the opinions of each independent director shall be fully considered, and any dissenting opinions or reservations of independent directors shall be stated in the minutes of the board meeting.

Transactions of major assets or derivatives shall be approved by more than half of all members of the audit committee, and a resolution shall be submitted to the board of directors, and the provisions of Paragraphs 3 and 4 of Article 32 shall apply mutatis mutandis.

Article 6 The company acquires or disposes of real estate, equipment or its right-to-use assets, except for transactions with domestic government agencies, construction by itself, or lease of land, or the acquisition or disposal of equipment for business use or its right-to-use assets, If the transaction amount exceeds 20% of the company's paid-in capital or NT\$300 million or more, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements:

1. When a limited price, or a specific price or a special price must be used as the reference for the transaction price due to special reasons, the transaction should be approved by the board of directors first; the same applies when the transaction conditions are changed later.
2. If the transaction amount is more than NT\$1 billion, two or more professional appraisers shall be requested for appraisal.
3. The appraisal result of the professional appraiser is in any of the following situations, except that the appraisal result of the acquired assets is higher than the transaction amount, or the appraisal result of the disposed assets is all lower than the transaction amount, the accountant should be consulted according to the accounting research of the Republic of China. The Bulletin No. 20 of the Auditing Standards issued by the Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation) provides specific opinions on the reasons for the difference and the reasonableness of the transaction price:
 - (1) The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.
 - (2) The difference between the appraisal results of two or more professional appraisers is more than 10% of the transaction amount.
4. The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the current value of the same period of the announcement is applicable and less than six months have passed, the original professional appraiser may issue a written opinion.

Article 7 When acquiring or disposing of negotiable securities, the company shall obtain the most recent financial statements of the target company that have been audited, certified or

reviewed by an accountant before the occurrence of the fact as a reference for evaluating the transaction price, and the transaction amount shall be a percentage of the company's paid-in capital. 20 or more than NT\$300 million, an accountant should be contacted to express their opinion on the reasonableness of the transaction price before the occurrence of the fact. If the accountant needs to use an expert report, he should follow the Auditing Standards Bulletin issued by the Accounting Research and Development Foundation. Provisions No. 20 to handle. However, this does not apply if the securities are publicly quoted in an active market or otherwise stipulated by the FSC.

Article 8 If the company acquires or disposes of intangible assets or their right-to-use assets, or the transaction amount of the membership card exceeds 20% of the company's paid-in capital or NT\$300 million or more, in addition to transactions with domestic government agencies, it shall Before the occurrence of the fact, an accountant shall be contacted to express an opinion on the reasonableness of the transaction price, and the accountant shall act in accordance with the provisions of the Bulletin of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation.

The calculation of the transaction amount in the first three articles of Article 8 shall be carried out in accordance with the provisions of Paragraph 2 of Article 28, and the term within one year shall be based on the date of the actual occurrence of this transaction, and shall be retrospectively calculated for one year. Valuation reports or accountants' opinions issued by those who have obtained professional valuations in accordance with the provisions of these Standards are exempted from being counted.

Article 9 For the valuation report or the opinion letter of accountants, lawyers or securities underwriters obtained by this company, the professional valuers and their appraisers, accountants, lawyers or securities underwriters shall meet the following requirements:

1. Have never been sentenced to fixed-term imprisonment of not less than one year for violating the Securities and Exchange Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, or the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or business crimes. Declared OK. However, this is not the case if three years have elapsed since the completion of the execution, the expiration of the suspended sentence, or the pardon.
2. The parties to the transaction shall not be related parties or have substantial related parties.
3. If the company should obtain valuation reports from two or more professional appraisers, different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.

When issuing a valuation report or opinion, the person referred to in the preceding paragraph shall handle the following matters:

1. Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence.
2. When checking a case, it should properly plan and implement the appropriate operating procedures to form a conclusion and issue a report or opinion letter accordingly; and publish the detailed procedures, collected data and conclusions in the case working paper.
3. Regarding the sources of data, parameters and information used, the completeness, correctness and rationality of each item shall be evaluated as the basis for issuing the appraisal report or opinion letter.
4. Statements shall include the professionalism and independence of relevant personnel, the reasonableness and correctness of the information used, and the compliance with relevant laws and regulations.

Article 10 Where the company acquires or disposes of assets through the court auction procedure, it may replace the valuation report or accountant's opinion with the evidentiary documents issued by the court.

Chapter III Transactions with Related Persons

Article 11 When the company and related parties acquire or dispose of assets, in addition to handling relevant resolution procedures and evaluating the rationality of transaction conditions in accordance with the provisions of this handling procedure, if the transaction amount exceeds 10% of the company's total assets, it shall also The appraisal report or the accountant's opinion issued by the person who obtained the professional appraisal in accordance with the provisions of Chapter 2.

The calculation of the transaction amount in the preceding paragraph shall be handled in accordance with the provisions of Article 8-1.

When judging whether the transaction object is a related person, the company shall not only pay attention to its legal form, but also consider the substantial relationship.

Article 12 The company acquires or disposes of real estate or its right-of-use assets from related parties, or acquires or disposes of real estate or other assets other than its right-of-use assets from related parties and the transaction amount reaches 20% of the company's paid-in capital 10% of total assets or NT\$300 million or more, in addition to buying and selling domestic government bonds, bonds with repurchase and sell-back conditions, and purchasing or repurchasing money market funds issued by domestic securities investment trust enterprises, the The following materials are submitted to the audit committee and approved by more than half of the members and approved by the board of directors, before the transaction contract can be signed and payment made:

1. The purpose, necessity and expected benefits of acquiring or disposing of assets.
2. The reason for selecting the related person as the transaction object.
3. Obtaining immovable property or right-of-use assets from a related party, and evaluating the reasonableness of the predetermined transaction conditions in accordance with the provisions of Articles 13 and 14.
4. The original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.
5. A forecast table of cash receipts and expenditures for each month in the next year from the expected contract month, and evaluate the necessity of the transaction and the rationality of the use of funds.
6. The appraisal report issued by the professional appraiser obtained in accordance with the provisions of the preceding article, or the accountant's opinion.
7. Restrictions on the transaction and other important agreements.

The calculation of the transaction amount in the preceding paragraph shall be carried out in accordance with the provisions of Paragraph 2 of Article 28, and the term within one year shall be based on the date of the actual occurrence of the transaction, retroactively calculated for one year, and submitted in accordance with the provisions of this procedure. With the approval of more than half of all members of the audit committee and the approval of the board of directors, part of the audit committee will be exempted from re-counting.

The Company and its subsidiaries are engaged in the following transactions, and their approval authority shall be handled in accordance with the Company's "Department of Powers and Responsibilities for Internal Audit of Accounting Affairs":

1. Acquiring or disposing of equipment for business use or its right-to-use assets.
2. Acquiring or disposing of real estate right-to-use assets for business use.

The company shall fully consider the opinions of each independent director when

submitting it to the board of directors for discussion in accordance with Paragraph 1. If any independent director has any objection or reservation, it shall be stated in the minutes of the board of directors meeting.

Paragraph 1 shall apply mutatis mutandis to the provisions of Paragraph 3 and Paragraph 4 of Article 32 without the consent of more than half of all members of the Audit Committee.

Article 13 When the company obtains real estate or its right-of-use assets from a related party, it shall evaluate the rationality of transaction costs according to the following methods:

1. The necessary capital interest and the cost that the company should bear according to the law shall be added according to the transaction price of the related parties. The “interest cost of necessary funds” shall be calculated on the basis of the weighted average interest rate of the borrowings in the year when the company purchased the assets, but it shall not be higher than the maximum borrowing rate of the non-financial industry announced by the Ministry of Finance.
2. If the related party has set up a mortgage loan with a financial institution for the subject matter, the financial institution will evaluate the total value of the loan to the subject matter, but the actual cumulative value of the financial institution's loan to the subject matter should reach the total value of the loan evaluation. More than 70% of the value and the loan period has been more than one year. However, this does not apply if the financial institution and one of the parties to the transaction are mutually related persons.

For the combined purchase or lease of land and houses of the same subject, the transaction costs may be assessed separately for the land and houses according to any of the methods listed in the preceding paragraph.

When evaluating the cost of real estate or its right-of-use assets in accordance with the preceding two paragraphs, an accountant should be consulted for review and specific opinions.

If the company obtains real estate or its right-of-use assets from a related party, and there is one of the following circumstances, it shall proceed in accordance with the provisions of Article 12, and the provisions of the preceding three paragraphs shall not apply:

1. The related person obtains the real estate or its right-to-use assets through inheritance or gift.
2. It has been more than five years since the contracting date of the related party to acquire the real estate or its right-to-use assets.
3. Signing a joint construction contract with a related party to obtain real estate, or entrusting a related party to build real estate from a local commissioned construction, leased land commissioned construction, etc. to acquire real estate.
4. The Company and its subsidiaries, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire real estate use rights assets for business use.

Article 14 If the evaluation results of the company in accordance with the provisions of paragraphs 1 and 2 of the preceding article are lower than the transaction price, it shall proceed in accordance with the provisions of Article 15. However, this does not apply if objective evidence is presented and specific reasonable opinions from professional real estate appraisers and accountants are obtained due to the following circumstances:

1. The related parties are those who have acquired prime land or leased land for re-construction, and meet one of the following conditions:
 - (1) If the evaluation is based on the method stipulated in the preceding article, the construction cost of the related party is added to the reasonable construction profit, and the total amount exceeds the actual transaction price. The term “reasonable construction

profit" shall be based on the average operating gross profit margin of the related party's construction department in the last three years or the most recent construction gross profit rate announced by the Ministry of Finance, whichever is lower.

- (2) Other non-related transactions in other floors of the same subject property or in adjacent areas within one year, the area is similar, and the transaction conditions are equivalent after the evaluation of the reasonable floor or area price difference due to the practice of real estate sales or leasing By.
2. The real estate purchased from a related party or an asset with the right to use real estate obtained by leasing, the transaction conditions are comparable to other non-related party transaction cases in the adjacent area within one year and the area is similar.

In the case of transactions in adjacent areas mentioned in the preceding paragraph, the principle is that the same or adjacent street corners are not more than 500 meters away from the object of the transaction, or the current value of the announcement is similar. In principle, the area is not less than 50% of the area of the subject matter of the transaction; the term referred to within one year is based on the date of the acquisition of the real estate or the right-to-use asset this time as the basis, and is retrospectively calculated one year ahead.

Article 15 When the company obtains immovable property or its right-of-use assets from a related party, if the evaluation result according to the preceding two articles is lower than the transaction price, it shall handle the following matters:

1. The difference between the transaction price of the immovable property or its right-of-use assets and the appraisal cost shall be set aside as a special surplus reserve in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and shall not be distributed or converted into capital and allotment shares. If an investor whose investment in a company is evaluated by the equity method is a public offering company, it shall also set aside a special surplus reserve in accordance with the provisions of Paragraph 1 of Article 41 of the Securities and Exchange Act for the amount to be set aside in proportion to its shareholding.
2. The members of the independent directors of the audit committee shall apply mutatis mutandis the provisions of Article 218 of the Company Law.
3. The handling of the preceding two paragraphs shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and prospectus.

The company has set aside the special surplus reserve in accordance with the provisions of the preceding paragraph, and the assets that should be purchased or leased at a high price have been recognized as depreciation losses, or disposed of, or terminated, or to be properly compensated or restored to the original state, or there is other evidence to determine that it is not unreasonable, It can only be used after the approval of the FSC.

If there is other evidence showing that the company has obtained real estate from related parties or the transaction of the right-of-use assets is not in line with business practices, it shall also follow the provisions of the preceding two paragraphs.

Chapter IV Engaged in Derivative Commodities Trading

Article 16 When the company engages in derivatives trading, it shall pay attention to the following important risk management and auditing matters:

1. Trading principles and guidelines: It should include the types of derivatives trading, business or hedging strategies, division of rights and responsibilities, performance evaluation methods, and the total amount of contracts that can be involved in derivatives trading, as well as the total and individual contract losses. Wait.

2. Risk management measures.
3. Internal audit system.
4. Regular evaluation methods and abnormal situation handling.

Article 17 The Company shall adopt the following risk management measures when engaging in derivative commodity transactions:

1. The scope of risk management shall include credit, market price, liquidity, cash flow, operational and legal risk management.
2. The trading personnel engaged in derivative commodities and the confirmation and delivery personnel shall not concurrently serve as each other.
3. Risk measurement, supervision and control personnel shall belong to different departments from those in the preceding paragraph, and shall report to the board of directors or to senior executives who are not responsible for transaction or position decision-making.
4. The positions held by the derivatives exchange shall be assessed at least once a week, except for the risk-averse transactions that are required for business operations shall be assessed at least twice a month, and the assessment report shall be sent to the senior executives authorized by the board of directors.
5. Other important risk management measures.

Article 18 When the company engages in derivatives trading, the board of directors shall supervise and manage it according to the following principles:

1. Designated senior executives should pay attention to the supervision and control of derivatives trading risks at all times.
2. Regularly assess whether the performance of derivatives trading is in line with the established business strategy and whether the risks borne by the company are within the acceptable range of the company.

Senior executives authorized by the board of directors shall manage derivatives transactions in accordance with the following principles:

1. Regularly evaluate whether the risk management measures currently in use are appropriate and are actually handled in accordance with these Standards and the procedures for dealing with derivatives traded by the company.
2. Supervise the transaction and profit and loss situation, and take necessary countermeasures when any abnormality is found, and report to the board of directors immediately. The board of directors shall have independent directors present and express their opinions.

If the company engages in derivative commodity transactions and authorizes the relevant personnel to handle the transaction in accordance with the prescribed procedures for dealing with derivative commodity transactions, it shall report to the most recent board of directors afterwards.

Article 19 When the company engages in derivative commodity transactions, it shall establish a reference book, which shall provide information on the type, amount, date of approval of the board of directors, and compliance with Article 17, Paragraph 4, Article 18, Paragraph 1, 2. The matters that should be carefully evaluated in subparagraph 2 and subparagraph 1 of paragraph 2 are detailed in the reference book for future reference.

The company's internal auditors should regularly understand the adequacy of the internal control of derivatives transactions, and audit the transaction department's compliance with the processing procedures for derivatives transactions on a monthly basis, and prepare audit reports. If any major violations are found, they should be notified in writing. Independent Director and Audit Committee.

Chapter V Merger, Division, Acquisition and Share Transfer

Article 20 For merger, division, acquisition or transfer of shares, the company shall, before convening a resolution of the board of directors, appoint an accountant, lawyer or securities underwriter to discuss the share conversion ratio, purchase price or allotment of cash or other property to shareholders. Opinions on rationality are expressed and submitted to the board of directors for discussion and approval. However, the merger of subsidiaries in which the company directly or indirectly holds 100% of the issued shares or the total capital, or the merger between the subsidiaries of which the company directly or indirectly holds 100% of the issued shares or the total capital, is exempt from obtaining the reasonable opinion issued by the expert. .

Article 21 The company shall prepare a public document to shareholders before the shareholders' meeting on the important agreed contents and related matters involved in merger, division or acquisition, together with the expert opinions in the preceding article and the notice of the shareholders' meeting. Delivered to shareholders for reference as to whether to agree to the merger, division or acquisition. However, this does not apply if the shareholders meeting is exempted from convening a shareholders' meeting to resolve mergers, divisions or acquisitions in accordance with other laws.

If the shareholders meeting convened due to the preceding paragraph cannot be convened due to insufficient number of attendees, voting rights or other legal restrictions, or the resolution is rejected by the shareholders meeting, the company participating in the merger, division or acquisition shall immediately publicly explain the reasons for the occurrence and follow-up actions operations and the expected date of the shareholders meeting.

Article 22 When the company participates in a merger, division or acquisition, unless otherwise stipulated by other laws or if there are special factors that have been approved by the Financial Regulatory Commission in advance, it shall convene the board of directors and shareholders meeting with the participating companies on the same day to resolve the merger, spin-off or acquisition-related matters.

When the company participates in the transfer of shares, unless otherwise stipulated by other laws or if there are special factors that have been approved by the Financial Supervisory Commission in advance, the board of directors shall be held on the same day as each participating company.

Companies involved in mergers, divisions, acquisitions or share transfer listings or companies whose stocks are traded at the business offices of securities firms shall make complete written records of the following information and keep them for five years for inspection:

1. Basic information of personnel: including all persons involved in the merger, division, acquisition or share transfer plan or implementation of the plan before the news is released, their professional titles, names, and ID numbers (passport numbers in the case of foreigners).
2. Dates of important matters: including the date of signing the letter of intent or memorandum, entrusting financial or legal advisors, signing contracts and the board of directors.
3. Important documents and minutes: including merger, division, acquisition or share transfer plan, letter of intent or memorandum, important contracts and minutes of board meetings.

Companies involved in mergers, divisions, acquisitions, or share transfer listings or companies whose stocks are traded at the business offices of securities firms shall, within two days from the date when the resolution of the board of directors is passed, submit the information in Subparagraphs 1 and 2 of the preceding paragraph to the

Internet in the prescribed format. The online information system is reported to the Financial Supervisory Commission for reference.

If a company involved in a merger, division, acquisition or share transfer is not a listed company or its stock is traded at the business office of a securities firm, the company whose stock is listed or its stock is traded at the business office of a securities firm shall sign an agreement with it and comply with the provisions of the preceding two paragraphs. handle.

Article 23 The company shall obtain written confidentiality commitments issued by all those who participate in or know about the company's merger, division, acquisition or share transfer plan. It is prohibited to buy or sell the stocks and other equity-like securities of all companies related to mergers, divisions, acquisitions or share transfer cases by themselves or in the name of others.

Article 24 When the company participates in merger, division, acquisition or share transfer, the share conversion ratio or purchase price shall not be changed arbitrarily, but it can be changed if it meets the following circumstances and is stipulated in the merger, division, acquisition or share transfer contract , not limited to:

1. Handling cash capital increase, issuance of convertible corporate bonds, free allotment of shares, issuance of corporate bonds with warrants, preferred shares with warrants, warrant certificates and other equity securities.
2. Acts such as disposing of the company's material assets that affect the company's financial business.
3. The occurrence of major disasters, major technological changes, etc. that affect the company's shareholders' rights and interests or securities prices.
4. The adjustment of the repurchase of treasury shares by any party of the company participating in the merger, division, acquisition or share transfer in accordance with the law.
5. Changes in the number of entities or companies involved in merger, division, acquisition or share transfer.
6. Other conditions that can be changed have been stipulated in the contract and have been disclosed to the public.

Article 25 When this company participates in a merger, division, acquisition or share transfer, the contract shall specify the rights and obligations of each participating company and the following matters:

1. Handling of breach of contract.
2. The principles for dealing with the previously issued securities with equity nature or the repurchased treasury shares of a company that has been eliminated or divided due to merger.
3. The number of treasury shares that a participating company may buy back in accordance with the law after the base date for calculating the share exchange ratio and the principles for its disposal.
4. How to deal with the increase or decrease in the number of participating entities or companies.
5. Estimated plan implementation progress and expected completion schedule.
6. If the plan is not completed within the time limit, the relevant handling procedures such as the scheduled date of the shareholders' meeting shall be held according to the law.

Article 26 When the company participates in merger, division, acquisition or share transfer, if any of the participating companies intends to merge, divide, acquire or transfer shares with other companies after the information is disclosed to the public, the number of participating companies shall be excluded. If the shareholders' meeting has already

resolved and authorized the board of directors to change the authority, the shareholders' meeting will be exempted from re-examination of the resolution. In the original proposal, the completed procedures or legal acts should be re-acted by all participating companies.

Article 27 If the company involved in merger, division, acquisition or share transfer is not a public offering company, this company shall sign an agreement with it, and handle it in accordance with the provisions of Articles 22, 23 and the preceding article. .

Chapter VI Information Disclosure

Article 28 When the company acquires or disposes of assets under the following circumstances, it shall, according to the nature of the assets, in accordance with the format prescribed by the FSC, the reporting department shall announce the relevant information on the website designated by the FSC within two days from the date of the occurrence of the fact declare:

1. Acquire or dispose of real estate or its right-of-use assets from a related party, or acquire or dispose of real estate or other assets other than its right-of-use assets with a related party and the transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets 10/10 or more than NT\$300 million. However, this does not apply to the purchase and sale of domestic public bonds, bonds subject to repurchase or sell-back conditions, and the subscription or buy-back of money market funds issued by domestic securities investment trust enterprises.
2. Merger, division, acquisition or share transfer.
3. The loss from engaging in derivative commodity transactions reaches the upper limit of total or individual contract losses stipulated in the set handling procedures.
4. The type of assets acquired or disposed of are equipment for business use or assets of the right to use, and the transaction object is not a related party, and the transaction amount exceeds NT\$1 billion.
5. The real estate is acquired in the form of self-contracted construction, leased-to-contract construction, co-construction and sub-house, co-construction-sharing, co-construction sub-sale, and the transaction object is not a related person, and the estimated transaction amount is NT\$500 million yuan or more.
6. Assets transactions other than the preceding five subparagraphs, the company's disposal of creditor's rights, or investment in the mainland area, and the transaction amount exceeds 20% of the company's paid-in capital or NT\$300 million or more. However, the following circumstances are not limited to this:
 - (1) Buying and selling domestic public bonds.
 - (2) For those who specialize in investment, the trading of securities on stock exchanges or the business offices of securities firms, or the subscription and issuance of ordinary corporate bonds and ordinary financial bonds without equity (excluding subordinated bonds) in the primary market , or subscribe for or buy back securities investment trust funds or futures trust funds.
 - (3) Trading bonds with buyback and sellback conditions, and subscription or buyback of money market funds issued by domestic securities investment trust enterprises.The transaction amount in the preceding paragraph is calculated as follows:
 1. The amount of each transaction.
 2. Accumulated amount of transactions with the same counterparty in acquiring or disposing of the same subject matter within one year.
 3. The accumulated amount of acquisition or disposal (acquisition and disposal are accumulated separately) within one year of the real estate of the same development plan or its right-of-use assets.
 4. The accumulated amount of the same securities acquired or disposed of (acquired and

disposed of separately) within one year.

The one-year period referred to in the preceding paragraph is based on the date of the actual occurrence of this transaction, and is retrospectively calculated for one year, and the part that has been announced in accordance with the provisions of this standard is exempt from re-counting.

The company shall, on a monthly basis, enter the information reporting website designated by the Financial Supervisory Commission before the tenth day of each month in accordance with the prescribed format of the company and its subsidiaries that are not domestic public offering companies engaged in derivative commodity transactions as of the end of the previous month.

If there are errors or omissions in the announcement of the items that should be announced and should be corrected, the company should re-announce and declare all the items within two days from the day it becomes aware of it.

When the company acquires or disposes of assets, it shall keep relevant contracts, minutes, reference books, valuation reports, and opinions of accountants, lawyers or securities underwriters in the company. Unless otherwise provided by other laws, keep it for at least five years.

Article 29 After the company announces and declares a transaction in accordance with the provisions of the preceding article, if there is one of the following circumstances, it shall, within two days from the date of the occurrence of the fact, publish the relevant information on the website designated by the Financial Regulatory Commission for announcement and declaration:

1. The relevant contract signed in the original transaction is changed, terminated or rescinded.
2. The merger, division, acquisition or share transfer is not completed according to the schedule scheduled in the contract.
3. The content of the original announcement has been changed.

Chapter VII Supplementary Provisions

Article 30 If the subsidiary of the company is not a domestic public offering company, and the acquisition or disposal of assets has the circumstances that should be announced and reported in the preceding chapter, the company shall do so.

Subsidiaries referred to in the preceding paragraph shall be subject to the regulations on the amount of paid-in capital or total assets specified in the reporting standards of Article 28, paragraph 1, and shall be subject to the amount of paid-in capital or total assets of the company.

The 10% requirement of total assets in this procedure shall be calculated based on the amount of total assets in the most recent individual or individual financial report stipulated in the financial reporting standards of securities issuers.

Article 31 Violations of these handling procedures and the relevant provisions of the "Guidelines for the Handling of Assets Acquired or Disposed by Public Companies" shall be reviewed in accordance with the Company's Employee Rewards and Punishment Cases.

Article 32 This handling procedure is approved by more than half of all the members of the audit committee, then approved by the board of directors, and submitted to the shareholders' meeting for approval, and the same applies to amendments. If a director expresses an objection and there is a record or written statement, the information on the director's objection shall be sent to the Audit Committee.

When submitting this handling procedure to the board of directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of each independent director shall be fully considered, and any dissenting opinions or

reservations of independent directors shall be stated in the minutes of the board meeting.

Paragraph 1 may be implemented with the consent of more than two-thirds of all directors, if it is not approved by more than one-half of all members of the audit committee, and the resolution of the audit committee shall be recorded in the minutes of the board of directors.

All members of the audit committee and all directors referred to in this procedure are counted by the actual incumbents.

Appendix 4

Shareholding Status of All Directors of the Bank

1. In accordance with Article 26 of the Securities Exchange Act and the number of directors and supervisors of the public offering company and the implementation of the rules:

The total shareholding of all non-independent directors of the Company shall not be less than 83,885,249 shares of the Company's issued shares.

2. The directors of the Company hold the following number of shares in accordance with the shareholder register as of the date of share transfer suspension for the current general shareholders meeting:

| Title | Name | Number of shares held | | | Share held ratio |
|---|---|-----------------------|-----------------|---------------|------------------|
| | | Special shares | Ordinary shares | total shares | |
| Chairman | Union Investment Ltd. representative : Lin Jeff | 10, 000, 000 | 4, 726, 680 | 14, 726, 680 | 0. 42% |
| Managing Director (Independent Director) | Li Guo Chang | – | – | – | 0. 00% |
| Managing Director | Chuan Cheng Investment Co., Ltd. (represented by: Chiang Chen Hsiung) | 4, 245, 959 | 147, 440, 827 | 151, 686, 786 | 4. 60% |
| Director | Union Investment Ltd. represented by: Li, Wen Ming | 10, 000, 000 | 4, 726, 680 | 14, 726, 680 | 0. 42% |
| Director | Yo Bang Co., Ltd. (represented by: Cao Su Fong) | – | 47, 605, 132 | 47, 605, 132 | 1. 36% |
| Director | Bai Sheng Investment Co., Ltd. (represented by: Lin Si Yong) | 8, 167, 281 | 166, 713, 047 | 174, 880, 328 | 5. 00% |
| Director | Tu Herman | – | 358, 697 | 358, 697 | 0. 01% |
| Independent Director | Lee Tzung Hang | – | – | – | 0. 00% |
| Independent Director | Fan Lin Yu | – | – | – | 0. 00% |
| No. of Shares Held by All Non-Independent Directors | | 22, 413, 240 | 376, 147, 899 | 398, 561, 139 | 11. 40% |

Note: The date of the current general shareholders meeting is 27 May 2022 (share transfer suspension period is from 29 March 2022 to 27 May 2022) Capital stock 3, 495, 218, 694 shares (Ordinary shares: 3, 295, 218, 694 shares, special shares: 200,000,000 shares)

Mandarin Chinese version shall prevail if any inconsistency exists in English version.