

# **Union Bank of Taiwan - Procedures for Election of Directors**

## **Article 1**

To ensure fair, just, and open election of directors, these procedures are formulated in accordance with the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.”

## **Article 2**

The election of directors of the Company shall be handled in accordance with these procedures, unless otherwise stipulated by laws or the Articles of Incorporation.

## **Article 3**

The election of directors of the Company shall consider the overall composition of the Board of Directors. The composition should be diversified and guided by the operational needs, business model, and development requirements, encompassing at least the following two dimensions:

1. Basic Criteria and Values: Gender, age, nationality, and cultural background.
2. Professional Knowledge and Skills: Expertise in areas such as law, accounting, industry, finance, marketing, or technology, as well as relevant professional skills and industry experience.

Members of the Board of Directors should possess the necessary knowledge, skills, and qualities to perform their duties. The overall competencies required are as follows:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Management capabilities.
4. Crisis handling ability.
5. Industry knowledge.
6. International market perspective.
7. Leadership.
8. Decision-making skills.

More than half of the directors must not have a spousal or second-degree relative

relationship. Representatives designated by corporate directors must meet the professional qualifications required by the Company and should not be replaced arbitrarily.

The composition of the Board of Directors should be adjusted based on the results of performance evaluations.

## Article 4

The qualifications and election of independent directors shall comply with the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” and the relevant provisions of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.”

## Article 5

The election of directors shall follow the candidate nomination system as stipulated in Article 192-1 of the Company Act.

If the dismissal of a director results in fewer than five directors, a by-election shall be held at the next shareholders' meeting. If the number of vacancies exceeds one-third of the total seats prescribed in the Articles of Incorporation, an extraordinary shareholders' meeting shall be convened within 60 days from the date of occurrence for a by-election.

If the number of independent directors falls below the minimum required by Article 14-2 of the Securities and Exchange Act or other relevant regulations, a by-election shall be held at the next shareholders' meeting. If all independent directors are dismissed, an extraordinary shareholders' meeting shall be convened within 60 days from the date of occurrence for a by-election.

## Article 6

The election of directors shall adopt the cumulative voting system. Each share carries voting rights equal to the number of directors to be elected, which may be cast for a single candidate or distributed among several candidates.

## Article 7

The Board of Directors shall prepare ballots corresponding to the number of directors to be elected, indicating the number of votes each shareholder is entitled to. Ballots are distributed to shareholders attending the meeting, and the name of the voter may be substituted with the certificate number printed on the ballot.

## Article 8

The election rights for independent and non-independent directors shall be calculated separately according to the number of votes received. Those with higher vote counts will be elected sequentially. In the event of a tie resulting in exceeding the set number of directors, the tied candidates shall draw lots to determine the winner. The chairman will draw lots on behalf of absent candidates.

## Article 9

Before the election begins, the chairman shall appoint shareholders to serve as ballot supervisors and counters to oversee the voting process. The ballot box, prepared by the Board of Directors, must be publicly inspected by the supervisors before voting begins.

## Article 10

Voters shall fill out the name of the candidate as announced in the director candidate list.

If candidates have identical names, distinguishing marks shall be noted by the Board or the convener.

## Article 11

A ballot is invalid if it meets any of the following criteria:

1. It does not use the ballot prepared by the convener.
2. It is a blank ballot.
3. The handwriting is illegible or altered.
4. The candidate's name does not match the announced candidate list.

5. The total voting rights allocated exceed the cumulative voting rights.
6. Any additional text besides the candidate's name and allocated voting rights is included.

## Article 12

After voting, the ballots shall be counted immediately. The results shall be announced on-site by the chairman or a designated person, along with the list of elected directors and their respective vote counts.

The ballots for the election shall be sealed and signed by the scrutineer and preserved for at least one year. If a lawsuit is filed by shareholders under Article 189 of the Company Act, the ballots shall be preserved until the conclusion of the litigation.

## Article 13

Elected directors shall be notified separately by the Board of Directors.

## Article 14

These procedures shall take effect after approval by the shareholders' meeting, with the same process for amendments.

### Appendix: Revision History

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| 1. | Approved at the 18th Board of Directors Meeting on March 18, 2015. | Approved by the Shareholders' Meeting |
| 2. | Amended on July 20, 2021.  | Approved by the Shareholders' Meeting |