

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

## **Articles of Incorporation**

### **Chapter 1 General Provisions**

- Article 1 The Company is incorporated pursuant to the Financial Holding Company Act, the Company Act, and other relevant laws and regulations. The name of the Company shall be “Taishin Financial Holding Co., Ltd.” (abbreviated to “Taishin Holdings”)
- Article 2 The business objectives of the Company are to derive the economic benefits of financial institutions, to enhance the synergy from financial cross selling, to protect the public interest, and to support the financial policies of the country.
- Article 3 The Company has its head office in Taipei City. The Company may set up branches in proper locations domestically or overseas.
- Article 4 Public announcements of the Company shall, except where otherwise stipulated by the competent authority in charge of securities and exchange, be posted on the daily newspapers circulating in the municipality/city/county where the Company is located.

### **Chapter 2 Shares**

- Article 5 The authorized capital of the Company is NT\$200,000,000,000, divided into 20 billion shares at par value of NT\$10. The Board of Directors is authorized to issue the shares of capital in installments. 2 billion shares shall be reserved for the Company to issue shares for stock warrants, shares with warrants or corporate bonds with warrants.
- Article 5-1 For the purpose of employee motivation, the Company may issue stock warrants or handle stock transfer through the following methods:
1. Issuing employee stock warrants at a price lower than the closing price of the Company's shares on the issuing date, subject to approval by shareholders' meeting.
  2. Transferring the Company's shares to employees at a price lower than the average buyback price of the Company's shares, as approved in the most recent shareholders' meeting.
- The issuance of stock warrants or transfer of buyback shares mentioned in the preceding paragraph shall be handled in accordance with relevant laws and regulations. The resolution of such shall be adopted by two-third of the voting rights exercised by the shareholders present at the shareholders' meeting, who represent a majority of the outstanding shares of the Company.
- Article 5-2 Qualification requirements that entitle employees to receive shares when the company buys back its shares or issues new shares, employee stock warrants or restricted stock for employees can, in accordance with the law, include employees of subsidiaries that meet certain requirements.
- Article 6 The Company's shares, including ordinary shares and preferred shares issued in installment under different terms and conditions, shall be registered. The shares' certificates shall be affixed with the signatures or personal seals of the director representing the Company, and they shall be duly certified or authenticated by the

bank, which is authorized to certify shares under the laws before issuance.

The Company is exempt from printing certificates for shares issued, but the centralized securities depository institution should be contacted for registration.

Article 7 (Deleted).

Article 8 (Deleted).

Article 8-1 (Deleted).

Article 8-2 (Deleted).

Article 8-3 (Deleted).

Article 8-4 The Company issues 3,500,000,000 Class E registered preferred shares ("Class E preferred shares"), which may be issued in installment. The rights, obligations, and other important terms of issue associated with Class E preferred shares are as follows:

1. The dividend rate for Class E preferred shares should not exceed 8.00% p.a. of the issue price. In years when there is insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings.
2. The Company has sole discretion over the distribution of Class E preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Any earnings available for distribution to preferred shares and ordinary shares under an acknowledged earnings distribution proposal will be distributed first to Class E preferred shares. Any remaining balance shall be distributed according to the Articles of Incorporation.
3. Dividends on Class E preferred shares will be paid in cash. Once the Company's financial statements have been acknowledged and earnings distributions approved during the annual general meeting of shareholders, the board of directors shall be authorized to set the ex-dividend date for the distribution of the Class E preferred share dividend. Dividends that are payable for the year of issuance shall be prorated according to the actual number of days the shares have been in circulation since the date of issue, relative to the total number of days of that year. In the year of redemption, the distribution of the payable dividends shall be calculated based on the actual number of days the preferred shares remained outstanding in that year.
4. Except for the dividends prescribed in the three preceding subparagraphs herein, Class E preferred shareholders are not entitled to participate in the distribution of cash or stock dividends with regard to the ordinary shares and other preferred shares derived from earnings or capital reserves.
5. In the event of liquidation, Class E preferred shareholders shall be given priority over ordinary shareholders when claiming the Company's remaining assets. The amount claimed shall not exceed the issuance amount of outstanding Class E preferred shares.

6. Any premium received on the issuance of Class E preferred shares shall be treated as capital surplus and should not be capitalized into paid-in capital during the circulation period of Class E preferred shares.
7. Class E preferred shareholders are not entitled to any voting rights or election rights in shareholders' meetings. However, they may vote in Class E preferred shareholders' meetings and in general shareholders' meetings with regard to agenda items concerning the rights and obligations of Class E preferred shareholders.
8. When the Company issues new shares for capital raising, Class E preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.
9. Seven years after the issue date, the Company may at any time, subject to the competent authority's approval, recall a portion or all of the outstanding Class E preferred shares at the issue price. The rights and obligations associated with any remaining outstanding Class E preferred shares shall continue as specified herein.
10. Matters regarding the issuance of Class E preferred shares not specified herein shall be governed by the applicable laws and regulations, the Articles of Incorporation, and the competent authority's rules. If the competent authority deems it necessary to modify the terms of issuance for Class E preferred shares, the board of directors is authorized to proceed accordingly.

When Class E preferred shares are issued in installment within the limit described under the first paragraph, the board of directors is authorized to decide the actual number of shares, issue price, and dividend rate for each issuance according to the Company's capital plans, market conditions at the time of issuance, and the terms of issuance detailed under the preceding subparagraphs. Details of issuance by private placement or issuances involving an increased percentage of public offering shall be submitted to the shareholders' meeting for approval.

Article 8-5 The Company issues 800,000,000 Class F registered exchangeable preferred shares ("Class F preferred shares"), which may be issued in installment. The rights, obligations, and other important terms of issuance associated with Class F preferred shares are as follows:

1. The dividend rate for Class F preferred shares should not exceed 4.5% p.a. of the issue price. Unless otherwise specified by the Articles of Incorporation, in years that conclude with insufficient or no surplus to fully pay off dividends for Class F preferred shareholders, the unpaid dividend will not be carried forward to years with earnings.
2. The Company has sole discretion on the distribution of Class F preferred share dividends. Earnings distribution or loss make-up proposals will be devised by the Board of Directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the Annual General Meeting of Shareholders for acknowledgment. Earnings available for distribution shall be distributed firstly to Class E preferred shares and then, if any earnings remain,

to Class F preferred shares. Any remaining balance shall be distributed ordinary shares.

3. Dividends on Class F preferred shares will be paid in cash. Once the Company's financial statements have been acknowledged and the earnings distribution or loss make-up proposals approved have been approved during the Annual General Meeting of Shareholders, the Board of Directors shall be authorized to set the ex-dividend date for the distribution of the Class F preferred share dividend. Dividends that are payable for the year of issuance shall be prorated according to the actual number of days the shares have been in circulation since the date of issue, relative to the total number of days of that year. In the year of redemption, the distribution of the payable dividends shall be calculated based on the actual number of days the preferred shares remained outstanding in that year.
4. Except for dividends prescribed in the three preceding subparagraphs herein, Class F preferred shareholders are not entitled to participate in the distribution of cash or stock dividends with regard to ordinary shares and other preferred shares derived from earnings or capital reserves.
5. In the event of liquidation, Class F preferred shareholders shall be limited to claiming on the ordinary shares of Chang Hwa Commercial Bank Ltd owned by the Company (CHB shares). Class F preferred shareholders shall be given distribution sequence priority over ordinary shareholders. The exchange ratio of Class F preferred shares and CHB shares shall be set at 1:1.
6. Any premium received on the issue of Class F preferred shares shall be treated as capital surplus and should not be capitalized into paid-in capital during the circulation period of Class F preferred shares.
7. Class F preferred shareholders are not entitled to any voting rights or election rights in Shareholders' Meetings. However, they may vote in Class F preferred shareholder meetings on amendments to the Articles of Incorporation which damage the rights of Class F preferred shareholders. The provisions governing Shareholders' Meetings shall apply.
8. When the Company issues new shares for capital raising, Class F preferred shareholders shall be entitled to preemptive rights on the new shares equivalents to those of ordinary shareholders and Class E preferred shareholders.
9. The Company may notify Class F preferred shareholders of their right to exchange Class F preferred shares for CHB shares at the exchange ratio of 1:1 from the beginning of the 8th year of issuance up to the end of the 10th year of issuance
10. Ten years after the issue date, the Company may at any time, subject to the competent authority's approval, recall all outstanding Class F preferred shares and exchange them for CHB shares at the ratio of 1:1. If the 90-business-day weighted average price of CHB shares prior to the record date is lower than the

issue price, the Company shall make up the gap with cash. The specifics of the cash reimbursement shall be determined by the Board.

11. On the issue date, the Company shall set aside and deliver to the appointed custodian for safekeeping a number of CHB shares equal to that of the total number of Class F preferred shares. In the event that Class F preferred shares are redeemed, the Company shall deliver the CHB shares from the custodian to the Class F preferred shareholders.
12. In the event that Class F preferred shareholders' equity decreases proportionally due to a reduction of share capital against cumulative losses, Class F preferred shareholders' equity shall be adjusted/made up for the amount decreased so that Class F preferred shareholders' interest is maintained at the same level as when the shares were initially issued.
13. Matters regarding the issuance of Class F preferred shares not specified herein shall be governed by the applicable laws and regulations, the Articles of Incorporation, and the competent authority's rules. If the competent authority deems it necessary to modify the terms of issuance for Class F preferred shares, the Board of Directors is authorized to proceed accordingly.

When Class F preferred shares are issued in installment within the limit described under the first paragraph, the Board of Directors is authorized to decide the actual number of shares, issue price, issue date, dividend rate, etc. for each issuance according to the Company's capital plans and market conditions at the time of issuance and according to the terms of issuance described under the preceding subparagraphs.

**Article 8-6** Unless otherwise prescribed by law or stipulated in the Articles of Incorporation, the Company shall ensure that all shareholders are granted the same rights to participate in the distribution in the event that the Company wishes to return capital by means of capital allocation or reduction, or if it wishes to make exceptional cash payments for reasons other than earnings distribution.

**Article 9** No change shall be made to the shareholders' roster within 60 days prior to an Annual General Meeting, or within 30 days prior to an extraordinary shareholders' meeting, or within 5 days prior to the record date determined for the distribution of dividends, bonus, or other benefits.

The period prescribed in the preceding paragraph shall be calculated from the meeting day or the record date.

**Article 10** The share related matters shall be handled in accordance with the Company Act, the guidelines announced by the competent authority in charge of the securities industry, and other relevant laws and regulations.

### **Chapter 3 Business**

**Article 11** The Company is engaged in the financial holding business. (Code H801011)

**Article 12** The Company's scope of business is as follows:

1. The Company may invest in the business stipulated in the Financial Holding

Company Act.

2. Management of invested businesses.
3. Investment in the business other than as specified in subparagraph 1 above, subject to approval of the competent authority, but may not involve in the operation and management of such business.
4. Other related business approved by the competent authority.

Article 13 The total amount of investment shall not be limited to the 40% of paid-in capital set forth in the first paragraph of Article 13 of the Company Act.

Article 14 (Deleted).

#### **Chapter 4 Shareholders' Meetings**

Article 15 The Company holds two types of Shareholders' Meetings: Annual General Meetings and Extraordinary Shareholders' Meetings. The Annual General Meeting is convened at least once a year and no later than six months after the end of the financial year. Extraordinary Shareholders' Meetings may be held whenever necessary, subject to compliance with the Company Act.

Unless otherwise specified in the Company Act or other relevant laws, all shareholders' meetings are to be called by the Board of Directors.

The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 16 A notice of the time, venue, and the proposal of the meeting shall be given to each shareholder 30 days in advance of convening an Annual General Meeting, or 15 days in advance of convening an Extraordinary Shareholders' Meeting, and the notice shall be publicly announced. Subject to agreement by the receiving party, meeting notices may also be delivered electronically.

For shareholders holding less than one thousand shares, the aforementioned meeting notices may be communicated by way of public announcement instead.

Article 17 Shareholders may appoint proxies to attend Shareholders' Meetings by completing the Company's proxy forms for each meeting, specifying the scope of delegation. With regard to the number of shares and voting rights to be represented by each proxy, the Company shall follow the relevant regulations. Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must arrive at the Company at least five days before the shareholders' meeting. In the event that more than one proxy form is issued, the proxy form that arrives first shall prevail. However, exception shall be granted if the shareholder issues a proper declaration to revoke the previous proxy arrangement.

Should the shareholder decide to attend a Shareholders' Meeting personally or to exercise voting rights in writing or through electronic means after a proxy form has been delivered to the Company, a written notice should be sent to the Company no later than two days before the meeting commences to revoke the proxy arrangement. If the revocation is made after the prescribed period, then the voting

decision exercised by the proxy shall prevail.

The proxy for the Shareholders' Meeting shall be considered invalid if the submitted form is not that which is printed by the Company.

Article 18 Unless otherwise prescribed in the Company Act or in the Articles of Incorporation, each share is entitled to one voting right.

When electing Directors in the Shareholders' Meeting, each share shall have votes equivalent to the number of elected Directors to be elected. Such votes may be cast for one single director or may be allocated among the number of the directors to be voted for. Those receiving ballots representing the larger number of votes shall be elected as the directors.

Article 19 Matters to be resolved and executed by the Shareholders' meeting are:

1. Establishment and amendment of the Articles of Incorporation for the Company.
2. Election of directors.
3. Examination and ratification of the reports and statements prepared by the Board of Directors, as well as the Audit Committee's reports.
4. Resolutions on the issuance of new shares due to capitalization of earnings and reserves.
5. Resolutions on the distribution of earnings and make-up of deficits.
6. Resolutions on remuneration for directors.
7. Resolutions on the liquidation, merger, or divestment of the Company.
8. Resolutions on significant changes in business policies.
9. Other matters to be resolved in the Shareholders' Meeting for statutory reasons.

Article 20 If the Shareholders' Meeting is convened by the Board of Directors, the Chairperson of the Board shall preside over the meeting. If the Chairperson is unable to perform his duties due to leave of absence or for any other reason, the Vice Chairperson shall act on the Chairperson's behalf. If there is no Vice Chairperson or if the Vice Chairperson is on leave or unable to perform his/her duties, the Chairperson shall appoint a director to act on his/her behalf. If the Chairperson does not appoint anyone to act on his/her behalf, a representative shall be elected from among the directors. If the meeting is convened by an authorized party other than the Board of Directors, the meeting shall be chaired by the authorized convener. If there are two or more conveners, one of them shall be elected to chair the meeting.

Article 21 Unless otherwise prescribed in the Financial Holding Company Act, Company Act or other regulations, resolutions in the Shareholders' Meeting shall be adopted by a majority vote of the shareholders present, who together must represent more than one-half of the total number of voting shares.

Article 22 Representation of the institutional shareholders is not limited to one person, but the number of votes of such institutional shareholder shall be determined by the aggregate number of the shares held by such institutional shareholders.

When an institutional shareholder has two or more representatives, the voting right of such institutional shareholder shall be jointly exercised by the representatives.

Article 23 The minutes of the Shareholders' Meetings shall be prepared, duly signed or chop

sealed by the Chairperson of the Shareholders' Meeting, and distributed to the shareholders within 20 days after Shareholders' Meetings.

The meeting minutes prescribed in the preceding paragraph may be distributed by means of public announcement.

Article 24 The rules stipulated in the Chapter shall also apply to the preferred shareholders' meeting of the Company.

## **Chapter 5 Directors**

Article 25 The Company shall have a Board of Directors that comprises seven to nine members, and the Board of Directors shall set the number to be elected within the above range. The Company adopts a nomination system for independent director elections. The election of non-independent directors shall adopt a nomination system on or after July 1<sup>st</sup>, 2015. The directors and independent directors shall be elected among shareholders from the candidate list in Annual General Meetings in accordance with the Financial Holding Company Act, Company Act, and relevant laws and regulations, unless otherwise specified by other laws and regulations.

All of the Company's directors shall maintain share ownership within the levels stipulated by the securities authority.

The credentials of the Company's directors shall meet the criteria set forth in the guidelines set by the competent authority.

The Company may remunerate directors for their services, no matter whether the company has generated profits. The Board of Directors is authorized to determine the level of remuneration for the above parties based on their individual participation and contribution to the Company's operations, and in reference to industry peers.

Article 25-1 Among the number of directors of the Board prescribed in the preceding article, the number of independent directors of the Company shall be no less than three or no less than one fifth of the total number of directors, whichever is higher. With respect to professional qualifications, shareholdings, restrictions on holding concurrent posts, nomination, election/appointment and other compliance-related requirements for independent directors, the Company shall follow the relevant laws and regulations announced by the competent authority in charge of the securities and exchange.

Article 25-2 The Board of the Company shall set up the Audit Committee to replace the role of supervisors, which shall consist of the entire roster of independent directors. It shall be no less than three in number, one of whom shall serve as the convener, and at least one of whom shall have accounting or finance expertise. Exercise of powers and other compliance matters of the Audit Committee shall be handled in accordance with relevant laws and regulations or provisions of the Articles of Incorporations of the Company.

Article 26 Directors shall serve a term of three years and may be reelected.

In the event that the tenure of directors is due and there is not enough time for the Company to elect the new directors, his/her tenure shall continue until the new



directors are elected; provided that the competent authority may, by exercising its power, order the Company to elect the new directors in a prescribed period. Should the new directors fail to be elected in the prescribed period, the tenure of directors shall be automatically ceased.

Article 27 The Company shall have one Chairperson of the Board of Directors to be elected from among the directors by a majority vote at a Board Meeting at which more than two-thirds of the directors are present. The Company may have one Vice Chairperson to be elected in the same procedure as above.

The Chairperson shall chair the Shareholders' Meetings and the Meetings of the Board of Directors, and shall represent the Company.

Article 28 The Company shall convene regular meetings for the Board of Directors on a quarterly basis. Ad hoc meetings may be arranged whenever it is considered necessary or urgent. Unless otherwise prescribed by laws and regulations, Board of Directors' Meetings shall be convened by the Chairperson.

The meeting notice shall specify the reasons for convening the meeting and shall be sent to the Directors by mail, e-mail, fax, or hand delivery at least 7 days prior to the meeting. The notice of convening an ad hoc Board Meeting may be delivered in the same way as above.

Unless otherwise stipulated by the Financial Holding Company Act, Company Act, or other laws and regulations, a Board of Directors Meeting at which a resolution is adopted shall be attended by a majority of the Directors and at which meeting a majority of those who present shall have voted in favor of such a resolution.

Article 29 If the Chairperson is unable to perform his/her duties due to leave of absence or any other reason, the Vice Chairperson shall act on the Chairperson's behalf. If the Vice Chairperson is also on leave or unable to perform his/her duties, the Chairperson shall appoint one of the directors to act on his/her behalf. If the Chairperson does not appoint a deputy, the remaining directors shall appoint an Acting Chairperson from among themselves.

Article 30 Directors shall attend Board of Directors' Meetings in person. If a director is unable to attend a meeting, he/she may appoint a proxy to attend the meeting by completing the Company's proxy forms for each meeting, specifying the scope of delegation. A director may act as the proxy for only one other director.

Article 31 The functions and responsibilities of the Board of Directors:

1. Review and approval of business policies and plans.
2. Review and approval of the budget and final accounts.
3. Review or approval on the establishment and amendment of important policies and regulations.
4. Pass resolutions on the issuance of new shares.
5. Determine proposals on the distribution of earnings or make-up of deficits.
6. Pass resolutions on the issuance of corporate bonds.
7. Pass resolutions on plans for redeeming shares of the Company.
8. Review or approval on investments, as well as the acquisition, disposal, and

lease of assets or other rights.

9. Review or approval on important contracts.
10. Appoint, dismiss, and determine the remuneration of managers, chief auditor, and other employees of equal job level.
11. Convene the Shareholders' Meetings and submit the agenda and reports for the meeting.
12. Execute the resolutions of the Shareholder's Meeting.
13. Matters requiring resolution in the Board of Directors' meeting pursuant to the "Guidelines Governing the Division of Job Responsibilities" of the Company.
14. Appoint, dismiss, and approve remuneration for the Company's CPA.
15. Appoint directors and supervisors of subsidiaries.
16. Review of matters assigned by the Chairman or proposed by the President.
17. Resolve other important matters commissioned.
18. Other matters to be executed by the Board of Directors as required by law or authorized by the Shareholders' Meeting.

Article 31-1 The Board of Directors may, pursuant to the relevant laws and regulations, purchase liability insurance contracts for the Company's directors and key employees to cover the respective compensation liabilities involved when performing their duties.

Article 31-2 The Board of Directors may authorize the Chairperson or relevant managers/departments to review and approve various issues during recess of the Board, including the approval of internal policies, appointment (or reappointment) of directors and supervisors of subsidiaries, making and amendment of the "Guidelines Governing the Authority and Responsibility", etc. This, however, shall not apply to matters which are required to be resolved in the Board of Directors Meetings for statutory reasons or according to the "Guidelines Governing the Authority and Responsibility".

Article 31-3 In order to derive overall economic benefit of its operations, the Company may, where permitted by law, authorize the Board of Directors to integrate the resources of the Company and its subsidiaries and among subsidiaries, thereby enhancing cross-sector performance. The Company shall also establish a suitable and reasonable cost allocation system through communication and negotiation, based on the degree of resource-sharing and profit contribution of the Company and its subsidiaries and among subsidiaries.

Article 31-4 The Company may establish functional committees of different types. The organizational rules for functional committees shall include number of committee members, qualification requirements, term of office, job authorities and meeting procedures, etc. The organizational rules shall be submitted to the Board of Directors for approval.

Article 32 (Deleted).

Article 33 (Deleted).

Article 34 Directors of the Company may concurrently act as directors or supervisors of the Company's subsidiaries.

## **Chapter 6 Managers**

Article 35 The Company shall have one president, one Chief Auditor, and managers. The appointment, dismissal, and remunerations of such managerial personnel shall be decided in the Board of Directors' meetings, subject to compliance with the Company Act and relevant laws and regulations.

The appointment and dismissal of the President and Chief Auditor mentioned in the preceding paragraph shall be proposed by the Chairman and agreed upon by the Board of Directors. The appointment and dismissal of managers shall be proposed by the president and agreed upon by the Board of Directors in accordance the preceding paragraph.

Article 36 (Deleted).

Article 37 The credential of the Company's President, Chief Auditor, and managers shall comply with the qualification standards established by the competent authority.

Article 38 (Deleted).

## **Chapter 7 Accounting**

Article 39 The fiscal year of the Company shall be from January 1 to December 31. At the end of each fiscal year, the Board of Directors shall compile and submit the following reports and statements to the Shareholders' Meeting for acknowledgment, pursuant to the legal procedures.

1. Business reports.
2. Financial statements.
3. Proposals for distribution of earnings or make-up of deficit.

The compilation, audit, reporting, and record keeping of the reports, statements, annual reports and other items required by the competent authority prescribed in the preceding paragraph shall be made in accordance with the Company Act, Securities and Exchange Act, Financial Holding Company Act, and other relevant laws and regulations.

Article 40 0.01% provision of the Company's current year profit shall be made as employee bonus, and the Board of Directors shall decide to distribute the bonus in the form of shares or cash, which can also be distributed to employees of affiliated companies that meet the criteria specified in the Company Act. The Company may also make provision of director remuneration no more than 1% of the aforementioned profit.

The Company shall first make up the accumulated deficits, if any, before allocating any profit to employee bonus and director remuneration.

Employee bonus and director remuneration proposals shall be presented to the Shareholders' Meeting.

Article 40-1 Any earnings concluded in a financial year shall, right after statutory taxation and accounting adjustments, make up for any previous losses. Any surplus is subject to the provision of a 10% legal reserve and a special reserve according to law. The remaining balance, if any, will be combined with the reversal of special reserves and initial cumulative undistributed earnings available for dividend distribution into the amount available for distribution as ordinary shares and every class of preferred shares. Cash dividends shall be no less than 10% of the total amount of dividend distribution in the same year. Earnings distribution proposals will be devised by the board of directors and submitted to the annual general meeting of shareholders for acknowledgment.

The rights and obligations and the priority, amount, and method of distribution associated with every Class of preferred shares shall be governed in accordance with the Articles of Incorporation.

Article 41 The Company shall adopt a residual dividend policy. The purpose of this policy is to ensure continuous business development and profit growth, while taking into account working capital management and the capital adequacy level required by both the competent authority and international standards. With regard to dividend distribution, the Company shall, in principle, distribute a stock dividend while considering business needs, capital plans, funds for reinvestment or acquisitions, and major regulatory changes, etc. The remainder shall be distributed as cash dividend.

### **Chapter 8 Addendum**

Article 42 The organization guidelines and the guidelines on business authorities and responsibilities shall be prescribed and amended by the board of directors.

Article 43 For matters not covered herein, the provisions of the Company Act, Securities and Exchange Act, Financial Holding Company Act, and other relevant laws and regulations shall govern.

Article 44 These Articles of Incorporation were adopted on Dec. 7, 2001, in the Founders' Meeting.

Note:

2001/12/07 Adopted in the Founders' Meeting.

2003/06/06 The 1st revision was resolved in the 2003 General Shareholders' Meeting to amend articles 5, 6, 18, 27, 29, 40, 41, and 44; to cancel article 7 and to add article 8-1.

2004/06/11 The 2nd revision was resolved in the 2004 General Shareholders' Meeting to amend articles 8, 8-1, 35 and 44.

2005/06/10 The 3rd revision was resolved in the 2005 General Shareholders' Meeting to cancel article 14 and amend articles 17, 25, 27, 37, 41 and 44.

2005/12/28 The 4th revision was resolved in the 2005 Extraordinary Shareholders' Meeting to amend articles 5, 8-1, 25 and 40 and add article 8-2.

2006/06/09 The 5th revision was resolved in the 2006 General Shareholders' Meeting to amend articles 8-1, 16, 17, 23, 25, 35, 39 and 41 and add articles 8-3, 8-4, 25-1 and 31-1.

2007/06/15 The 6th revision was resolved in the 2007 General Shareholders' Meeting to amend

article 13 and add article 31-2.

- 2008/06/13 The 7th revision was resolved in the 2008 General Shareholders' Meeting to add article 5-1; cancel article 8 and amend articles 8-1, 8-2, 25, 31-2 and 40.
- 2009/06/26 The 8th revision was resolved in the 2009 General Shareholders' Meeting to amend articles 8-1 and 8-2.
- 2010/06/18 The 9th revision was resolved in the 2010 General Shareholders' Meeting to amend articles 28, 31 and 35 and add articles 31-3 and 31-4.
- 2011/06/24 The 10th revision was resolved in the 2011 General Shareholders' Meeting on June 24, 2011 to amend articles 8-1, 8-2, 35, 36, 37 and 40 and cancel article 38.
- 2012/06/22 The 11th revision was resolved in the 2012 General Shareholders' Meeting on June 22, 2012 to amend articles 8-1, 8-2, 16, 17, 23, 40 and 41. (According to the letter reply from the Financial Supervisory Commission dated April 11, 2013 under reference Jin-Guan-Yin-Kong-Tze-10260001260, the implementation of articles 8-1 and 8-2 shall be postponed).
- 2014/06/06 The 12th revision was resolved in the 2014 general shareholders' meeting on June 06, 2014 to amend articles 8-1, 8-2, 15, 25 and 40.
- 2015/06/12 The 13th revision was resolved in the 2015 General Shareholders' Meeting on June 12, 2015 to amend articles 8-2,18,19, Chapter 5,25,25-1,25-2,26,27,28, 31-1,32, 33,34,39,40.
- 2016/06/08 The 14th revision was resolved in the 2016 General Shareholders' Meeting on June 08, 2016 to amend articles 5,8-2,8-4,8-5,8-6,40,40-1. (According to the letter reply from the Financial Supervisory Commission dated September 12, 2016 under reference Jin-Guan-Yin-Kong-Tze-10500206640, further elaboration shall be provided when specific issuance plan under article 8-5 is available.)
- 2017/06/16 The 15th revision was resolved in the 2017 General Shareholders' Meeting on June 16, 2017 to amend articles 8-2,40.
- 2018/06/08 The 16th revision was resolved in the 2018 General Shareholders' Meeting on June 08, 2018 to amend articles 8-2.
- 2019/06/14 The 17th revision was resolved in the 2019 General Shareholders' Meeting on June 14, 2019 to amend articles 1 and to add article 5-2.
- 2021/07/23 The 18th revision was resolved in the 2021 General Shareholders' Meeting on July 23, 2021 to amend articles 6, 8-4, 8-5, 40-1, 41, and 42 and to delete Articles 8-2, 8-3, and 36.
- 2022/06/17 The 19th revision was resolved in the 2022 General Shareholders' Meeting on June 17, 2022 to amend articles 15.