

Corporate Governance Best Practice Principles for First Financial Holding

Chapter I General Provisions

Article 1 (Purposes and Legal Basis to Establish the Principles)

These Principles are adopted in accordance with the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies" and the "Corporate Governance Best Practice Principles for Financial Holding Companies" and the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" for the establishment of good corporate governance and implementation of integrity management of the corporate culture and sound development of the Company, in order to strengthen sound operation of the Company and its subsidiaries. They shall be disclosed on the Market Observation Post System.

Article 2 (Principles of Establishment)

The Company shall establish an effective corporate governance framework, that comply with laws and the articles of incorporation, and implement an effective corporate governance system based on the following principles:

1. Comply with regulations and strengthen internal management and corporate governance relationship between the Company and its subsidiaries and other affiliated enterprises.
2. Protect the rights and interests of shareholders.
3. Strengthen the role and powers of the board of directors.
4. Fulfill the functions of the Audit Committee.
5. Respect the rights and interests of stakeholders.
6. Enhance information transparency.

Article 3 (Overall Business and Management Planning)

The Company shall map up its overall business strategy, risk management policies and relevant guidelines to enhance business management. Each of the Company's subsidiaries shall formulate and follow its own operational plans, risk management procedures and implementation guidelines.

Article 3-1 (Establishment of Chief Governance Officer and Qualifications)

The Company shall, based on business conditions and management requirements, have an adequate number of qualified corporate governance personnel and designate a Chief Governance Officer as the highest-ranking officer responsible for related corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in handling legal affairs, regulatory compliance, internal audit, financial affairs, accounting, stock affairs, or corporate governance affairs.

The corporate governance matters specified in the preceding paragraph shall include at least the following content:

1. Handling matters relating to board meetings and shareholders meetings according to laws.
2. Preparation of the minutes of the meetings of the board and the Shareholders.
3. Assisting in onboarding and continuous development of directors and supervisors.

4. Furnishing information required for business execution by directors and supervisors.
5. Assisting directors with legal compliance.
6. Reporting to the board of directors on the review results with respect to the compliance with the relevant laws and regulations of the qualifications of independent directors at the time of their nominations, election and during the term of office.
7. Handling matters related to the change of directors.
8. Other matters set out in the articles of incorporation or contracts, etc.

Article 3-2 (Appointment and Dismissal of the Chief Governance Officer and the Position Positioning)

The Company's Chief Governance Officer is the managerial officer whose appointment and dismissal shall be determined by a resolution of the board of directors in accordance with regulations regarding managerial officers in the Company Act and the Securities and Exchange Act. When the Chief Governance Officer resigns or is dismissed, a new appointment shall be made within one month from the date of occurrence. Unless otherwise specified by law, the role of the Chief Governance Officer may be filled concurrently by other personnel of the Company, provided that the original duties and the concurrent duties are effectively executed and no conflicts or interests or violation of the internal control system shall be permitted.

Article 3-3 (Regulations for Continuing Education of the Chief Governance Officer)

The Company shall arrange professional continuing education for the Chief Governance Officer. A newly-appointed Officer shall complete at least 18 hours of courses in the first year and 12 hours of courses each year thereafter. The scope, system, and other matters for continuing education shall be organized in accordance with the Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEX Listed Companies.

Chapter 2 Compliance With Relevant Laws and Regulations and Sound Internal Management

Article 4 (Establish a Regulatory Compliance System)

The Company shall establish a regulatory compliance system, the regulatory compliance unit responsible for the planning, management, and implementation of the system and set up a consultation, coordination, and communication system to impose regulation training on each unit, and shall appoint a senior manager to lead the regulatory compliance unit, to be in charge of regular compliance matters, to ensure the effective operation of the system, and to enhance self-discipline.

Article 5 (Establishment of Internal Control and Audit System)

The Company shall establish mechanisms for internal controls and audits in accordance with the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" and ensure mechanisms are implemented throughout in order to strengthen the Company's business operations.

Article 6 (Scope and Revision of the Internal Control System)

The Company's internal controls system shall cover all business activities and

shall have in place appropriate policies and procedures governing the articles of incorporation, regulations, standards of practice and handbooks. It shall be reviewed or amended regularly in accordance with the changes in relevant laws, business items and operating procedures and shall involve units of the regulatory compliance, internal audit, and risk management when necessary.

Article 7 (Establishment of Internal Audit Unit and Chief Auditor System)

The internal audit system of the Company should evaluate whether the internal control system is effective and measure the efficiency of operation and provide timely improvements to ensure the continuous and effective implementation of the internal control system and to assist the board of directors and the management to perform their duties effectively.

The Company shall establish an internal audit unit under its board of directors and shall establish a chief auditor system to manage all audit business with independent spirit and objectivity and reports its audit business to the Board of Directors and the Audit Committee regularly. The Company shall also entrust with the chief auditor with personnel autonomy of the auditing unit.

Internal auditors of the Company shall hold qualifications, as required by law, and attend professional training courses to enhance the quality of audits and their capability.

The Company should set up channels and mechanisms for facilitating communication among independent directors, the Audit Committee, and internal audit officers. The person in charge (directors) shall regularly engage in discussions with the internal auditors, keep minutes of discussions, conduct follow-ups on the meeting minutes, implement improvements, and submit reports to the board of directors.

To ensure that the internal control system is effectively implemented, strengthen the professional abilities of the deputy of the internal auditor, and further improve and maintain the quality and implementation outcomes of internal audits, the Company shall appoint a deputy to act on behalf of internal auditing personnel.

Article 8 (Business to be Handled by Internal Audit and the Assessment of Internal Control System)

The management of the Company should pay special attention to the internal audit units and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, so as to ensure a sound corporate governance system.

The assessment of the effectiveness of the internal control system shall be subject to the consent of one-half or more of all audit committee members and submitted to the board of directors for approval.

Article 9 (Scope of Supervision of the Internal Audit and Regulatory Compliance Unit)

The internal audit and regulatory compliance unit established by the Company shall supervise the implementation of the relevant provisions to ensure that the Company as well as its subsidiaries conducts the auditing business and comply with relevant laws and regulations.

Article 10 (Material Deficiencies Report and Whistleblowing System)

Where an internal auditor or chief compliance officer's suggestions regarding material deficiencies or violation in the internal controls system are not

accepted by the management, and where the inaction might lead to material losses to the Company, the internal auditor or chief compliance officer shall report immediately to the competent authority.

It is advisable that the Company set up and make available the reporting mechanism to the internal and external parties, and provide protection to people who report the misconduct. The receiving unit shall maintain its independence, preserve the data supplied by the informant by encryption, properly restrict the access to such information, and establish the internal processing procedures as a part of the internal control system.

The contents in the preceding paragraph shall include at least the following:

1. Establishment and announcement of an independent mailbox or hotline inside the company or provided by an independent external institution for use by company insiders and outsiders.
2. Assignment of dedicated personnel or units to process reports.
3. Documentation of case acceptance, processing processes, processing results, and relevant documents.
4. Confidentiality of the identity of whistleblowers and the content of reported cases.
5. Measures for protecting the rights of whistleblowers from inappropriate disciplinary actions due to their whistleblowing.

The Company may refuse to process whistleblowing cases which do not include an actual name, address, or specific contents.

The rules in Paragraph 3, Subparagraph 5 do not apply in cases where the content of a report is found to be false as a result of an investigation and where such a report involves a malicious attack on the Company, a subsidiary company, or personnel of the Company or subsidiary company.

Article 10-1 (Duties of Senior Management)

The Company's senior management shall be subject to the directions and oversight of the board of directors and shall comply with all business strategies, risk preferences, remuneration, and other policies approved by the board of directors. The organization (including roles, authorities, and responsibilities), procedures, and decisions of the senior management shall be explicit, clear, and transparent.

Chapter 3 Protect the Rights and Interests of Shareholders

Article 11 (Principle of Fair Treatment of Shareholders)

The Company shall establish a corporate governance system that ensures that shareholders are made fully aware of, and can participate in and decide on important matters of the Company in order to protect the rights and interests of shareholders and ensure their equal treatment.

Article 12 (Resolutions and Rules of the Shareholders' Meeting)

The Company shall convene shareholders meeting in accordance with the Company Act and relevant laws and regulations and establish complete comprehensive rules for such meetings. Resolutions adopted by the shareholders meeting shall be executed according to the Rules of Procedures for Shareholders meeting. Resolutions adopted by the shareholders meeting must conform to acts and regulations and to the Company's Articles of

Incorporation.

Article 13 (Properly Arrange the Agenda Items and Procedures for Shareholders Meeting)

The board of directors shall properly arrange the agenda items and procedures for shareholders meeting. Shareholders shall be granted reasonable time to deliberate each proposal and afforded an appropriate opportunity to make statements.

It is advisable that the Chairman presides the shareholders meeting convened by the Board, and that a majority of the directors (including at least one independent director), convener of the Audit Committee, and at least one member representing other functional committee are present. The minutes of shareholders meeting shall state the attendance of such meeting.

Article 14 (Convening of the Shareholders Meeting and to Ensure Shareholders May Exercise Their Rights)

The Company shall encourage its shareholders to engage in the corporate governance, retain professional shareholder service agency to coordinate the shareholders meeting, and ensure the shareholders meeting is convened lawfully, effectively and safely. The annual reports, annual financial reports, meeting notices, meeting pamphlets and supplementary meeting materials shall be made in both Chinese and English languages published online. The Company shall adopt electronic voting and avoid proposing extraordinary motions and modifications to the original motions to ensure that shareholders may exercise their rights at the shareholders' meetings in accordance with the law.

The Company is advised to arrange for their shareholders to vote on each separate proposal in the shareholders meeting agenda, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions, through the Internet information reporting system designated by the TWSE or the GTSM.

Article 15 (Shareholders Meeting Minutes)

The Company, in accordance with the Company Act and other applicable laws and regulations, shall record in the shareholders meeting minutes the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, the essential points of the proceedings and the results of the meeting, and the results with the numbers of votes cast for and against and the number for abstentions of each proposal. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors. The shareholders meeting minutes shall be properly and perpetually kept by the Company during its legal existence, and should be sufficiently disclosed on the Company's website.

Article 16 (Rules Governing the Proceedings of the Shareholders Meeting)

The chairperson of the shareholders meeting shall be fully familiar and comply with the rules governing the proceedings of the shareholders meeting established by the Company. The chairperson shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will. In order to protect the interests of shareholders, if the chairperson declares the adjournment of the meeting in breach of rules governing the proceedings of the shareholders meeting, it is advisable for the members of the board of

directors other than the chairperson of the shareholders meeting to promptly assist the attending shareholders in electing a new chairperson of the shareholders meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures, to continue the proceedings of the meeting.

Article 17 (Information Disclosure)

The Company shall place high importance on the shareholders' right to know, and shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the Internet information reporting system designated by the TWSE or the GTSM, or the Company's website.

Article 18 (Donation Guidelines)

The Company shall establish internal guidelines for the handling of donations and submit them to the board of directors for approval. Donation made to a related party or a major donation made to a non-related party shall be disclosed to the public.

The Company provides donations and sponsorship, shall comply with the laws and regulations and internal operating procedures, and shall not surreptitiously engage in bribery.

The Company shall not provide political contributions to political parties, political organizations and candidates.

Article 19 (The Rights to Share Profits and to Inspect the Shareholders Meeting)

The shareholders shall be entitled to profit distributions by the Company. In order to protect the investment interests of shareholders, the shareholders meeting may, pursuant to Article 184 of the Company Act, examine the records and books prepared and submitted by the board of directors and the reports submitted by the audit committee, and may decide profit distributions and deficit off-setting plans by resolution. The board of directors, Audit committee, and managers shall fully cooperate in the examination conducted by the inspectors without any obstruction, rejection or circumvention.

Article 20 (Material Financial and Business Transactions)

In entering into material financial and business transactions such as the acquisition or disposal of assets, the Company shall proceed in accordance with the applicable laws and regulations and devise related operating procedures to be submitted to the shareholders meeting for approval to ensure shareholders' right are protected.

In the event of business merger or public acquisition, the Company shall fulfill the requirements set forth in the applicable laws, consider the fairness and reasonableness of the planning of merger or public acquisition, and the transactions, and make emphasis on the disclosure of information, and the strength of the Company's financial structure.

In the event that the Company's management or major shareholders participate in a merger, a legal opinion shall be issued by an independent lawyer as to whether the members of the audit committee to consider the above merger are in compliance with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies,

whether they are related parties or interested parties of the counterparty to the merger to the extent that their independence is affected, whether the design and implementation of the relevant procedures are in compliance with the relevant laws and regulations, and whether the information is adequately disclosed in accordance with the relevant laws and regulations.

The qualifications of the above lawyer shall comply with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The lawyer shall not be a related party or an interested party of the counterparty to the merger to the extent that his/her independence is affected.

Article 21 (Respond to Proposals, Inquiries, and Disputes Raised by Shareholders)

In order to protect the interests of the shareholders, it would be advisable the Company to respond appropriately to proposals, inquiries, and disputes raised by shareholders.

The Company shall properly deal with any legal action duly instituted by shareholders in which it is claimed that shareholders' rights and interests were damaged by a resolution adopted at a shareholders meeting or the board of directors is in violation of applicable laws, regulations, or the Company's Articles of Incorporation, or that such damage was caused by a breach of applicable laws, regulations or the Company's articles of incorporation by any directors or managers in performing their duties.

The Company should adopt internal procedures for appropriate handling of matters referred to in the preceding two paragraphs, keep relevant records for future reference, and incorporate the procedures in its internal control system for management purposes.

Article 21-1 (Establish a Procedure to Interact with the Shareholders)

The Board of the Company is responsible to have a procedure to interact with the shareholders in place to improve the mutual understanding about the Company's objectives and development.

Article 21-2 (Communicate with the Shareholders Efficiently, and to Obtain the Shareholders' Support)

In addition to encouraging the shareholders to participate in and communicate through shareholders meeting, the Board of the Company shall communicate with the shareholders efficiently, work with the managers and independent directors to understand the shareholders' opinions and concerns, and identify the Company's policies to obtain the shareholders' support.

Article 21-3 (Operating Strategies and Business Plans)

The Company should formulate and disclose its operating strategies and business plans, explain specific measures to enhance its corporate value, report to the Board of Directors, and actively communicate with shareholders.

Article 22 (Controlling Shareholders Shall Comply with Provisions)

In order to protect the best interest of all shareholders, a shareholder having controlling power over the Company shall comply with the following provisions:

1. The controlling shareholder shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the Company to conduct any business which is contrary to normal business practice or to operate for illicit profit gains.

2. The representative of the controlling shareholder shall comply with relevant rules of rights and voting policies which established by the Company and exercise voting rights and participate in resolutions in good faith for the best interest of all shareholders. Should the controlling shareholder be a director of the Company, he or she shall exercise the fiduciary duty and duty of care of a director.
3. The controlling shareholder shall comply with relevant laws, regulations, the Articles of Incorporation and these Principles in nominating directors and shall not act beyond the authority granted by the shareholders meeting or the board of directors.
4. The controlling shareholder shall not improperly intervene in corporate policy making or obstruct corporate management activities.
5. The controlling shareholder shall not restrict or impede the management of the Company by methods of unfair competition.
6. The representative that is designated when a corporate shareholder has been elected as a director shall fulfill the Company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

In order to comply with the above regulations, the following principles should be taken into account in the communication between the controlling shareholders in the preceding paragraph and the Company. A controlling shareholder required for the purposes of promoting government policies is not subject to this requirement. However, he/she is still required to comply with the Company's internal control and layered responsibility chart, as well as other regulations:

- I. In principle, the shareholder shall appoint a representative who is elected as a director of the Company. The director representative may invite an accompanying manager of the Company to communicate with the shareholder if necessary. The Company shall prepare a record of the communication.
- II. If a controlling shareholder makes a suggestion regarding a board of directors' resolution or an operating decision-making of the Company, the director representative shall present it to the meetings of the board of directors or the functional committees for an exchange and discussion. A controlling shareholder shall not convene a meeting or otherwise improperly interfere with the Company's decision-making procedures through other means.
- III A controlling shareholder shall fulfill an obligation of confidentiality with respect to material information about the Company until such information is publicly disclosed, and shall not use such information to engage in insider trading.

Article 23 (The Company, Subsidiaries and Affiliated Enterprises Shall Establish Firewalls)

The allocation of the Company's management authorities and responsibilities over personnel, assets and finances between it and its subsidiaries or other affiliated enterprises shall be clearly defined, and risk assessment shall be properly carried out and appropriate firewalls shall be established.

The Company shall exercise due care in the management of its subsidiaries, in accordance with the Financial Holding Company Act.

Article 24 (Principles of Real Estate Transactions)

In order to avoid improper transfer of benefits that can cause damages to the Company or its shareholders, the Company, when entering into a real estate transaction with its major shareholders, invested enterprises, responsible person, employees, or stakeholder of the Company's responsible person, should be in a fair, just and objective principle, in line with business practices, the transaction shall be made in compliance with the Financial Holding Company Act and applicable regulations set forth by the competent authority.

Article 25 (Qualifications for Concurrent Serving of Responsible Persons)

When the responsible person of the Company concurrently holds a position in a subsidiary or other job positions, the transactions shall be handled in accordance with the Regulations Governing Qualification Requirements for the Promoter or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company and relevant regulations.

The responsible person of the Company, when concurrently holding a position in accordance with the foregoing paragraph, shall ensure the effective execution of current and concurrent duties, and shall not engage in acts involving conflict of interest or violation of internal control, supervisory and balance systems of the Company and its investee enterprises and subsidiaries to ensure shareholder rights and interests.

Article 26 (Non-Compete Behavior of Directors)

The Company's director, acting on behalf of oneself or anyone else in matters within the business scope of the Company, shall explain the important content of their behavior and obtain the approval at the shareholders meeting.

If a legal person-director replaces its representative pursuant to Article 27 of the Company Act, in which the director will compete with the Company's business as prescribed in the preceding paragraph, the replacement shall be approved by the more recent shareholders meeting.

Article 27 (Confidentiality and Prevention of Insider Trading)

The Company and its directors, managers and employees shall faithfully follow the Company's confidentiality standards and may not disclose to any other party any trade secrets properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets properties of the Company unrelated to their individual duties.

The Company and its directors, managers and employees shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

The directors are not allowed to trade the Company's stocks during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports.

Article 28 (When Conducting Business, No Improper Benefits Shall be Accepted)

When conducting business, the Company and its directors, managers, employees, may not directly or indirectly offer, promise to offer, request, or

accept any improper benefits in whatever form, including rebates, commissions, facilitating payments in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 29 (Establishment of Financial, Operational, and Accounting Management Systems)

The Company and its subsidiaries shall establish sound financial, operational, accounting management and internal control systems in accordance with applicable laws and regulations, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly, so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of the Company shall periodically examine the Company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 30 (Transfer of Benefits is Strictly Prohibited)

The transaction made between the Company, its subsidiaries, related parties and shareholders shall be in compliance with laws and a fair and reasonable principle and adhere to guidelines governing the relevant financial and business operations between them. Price and payment terms shall be clearly specified in the contract, with non-arm's length transactions or transfer of benefits strictly prohibited. The Company shall obtain an appraisal report from securities underwriters, appraisal companies, or accountants before proceeding with the transaction.

Article 31 (Information Control of the Major Shareholders)

The Company shall grasp those who hold five percent(5%) or more of the Company's outstanding voting shares and the shareholding information of major shareholders with controlling power of the Company.

Chapter 4 Strengthen the Roles and Powers of the Board of Directors

Section 1 Structure and function of the board of directors

Article 32 (Duty of the Board of Directors)

The Company's board of directors shall guide the Company's strategy, supervise the management and be responsible to the Company and its shareholders. Procedures and arrangements of the corporate governance shall ensure that, in exercising its authority, the board of directors will comply with laws, regulations, the Articles of Incorporation, and the resolutions adopted by the shareholders meeting.

Article 33 (Diversification of the Board of Directors)

The Company shall designate an appropriate number (not less than 15 persons) of directors based on the Company's business scale, the shareholdings of its major shareholders, and practical operational needs.

The composition of the Board members shall take the diversity into account. The number of directors who concurrently serve as the officers of the Company or its subsidiary shall not exceed one-third of the total number of seats. The board of directors shall include at least one female director, any gender should be more than one-third of the board, and should be diversified

in terms of race, age, nationality, and cultural background. The Board members shall have industry experience such as banking, insurance, securities, investment and other professional skills such as law, accounting, finance, taxation, technology or risk management. Each director shall possess the knowledge, skill, and character to perform the duties.

In order to accomplish the idea of corporate governance, the Board shall have the following capabilities in its entirety:

- 1.Ability to make operational judgments.
- 2.Ability to conduct accounting and financial analysis.
- 3.Ability to manage business activities (including ability to manage subsidiaries).
- 4.Ability to handle crisis management.
- 5.Knowledge of the industry.
- 6.An understanding of international markets.
- 7.Leadership.
- 8.Ability to make policy decisions.
- 9.Risk management knowledge and skills.

Article 34 (Risk Management)

The board of directors shall perceive the risks faced by the Company's operations, shall confirm the effectiveness of risk management, and shall take ultimate responsibility for the management of the risks.

The Company's risk management policies and operating procedures shall be adopted by the board of directors and shall be reviewed and amended when appropriate.

The Company shall establish an independent risk management task force and regularly furnish risk management reports to the board of directors; upon identifying a significant risk exposure that might adversely affect its financial or business status, it shall take immediate and adequate countermeasures and submit a report to the board of directors.

The Company shall conduct a comprehensive risk assessment of its subsidiaries and implement the necessary control mechanisms, so as to effectively utilize resources and reduce the risks.

Article 35 (Election of Directors)

The Company shall, based on related regulations in the Company Act and the Securities and Exchange Act and the principles of protection of shareholder rights and interests and equitable treatment of shareholders, establish a fair, just and open procedure for the election of directors, encourage shareholder participation. The Company shall adopt the cumulative voting mechanism pursuant to the Company Act that serve to fully reflect shareholders' opinions when electing Directors.

The Company has adopted a candidate nomination system for the election of its directors. The adoption of such a system shall be expressly stipulated in the Articles of Incorporation, and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. The independent and non-independent directors shall be elected in accordance with Article 198 of the Company Act, but in separately calculated numbers.

Candidate nomination, contents of announcement, and procedures, as mentioned in the previous clause, shall be handled in accordance with Article

192-1 of the Company Act. The Company shall carefully review the candidates' qualifications, background, and the existence of any other matters set forth in Article 30 of the Company Act and the Subparagraphs in Article 3 of "Regulations Governing Qualification Requirements for the Promoter or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company". The Company should consider candidates on the basis of race, nationality, or gender.

Unless the competent authority otherwise grants an exception, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.

The directors of the Company shall be in compliance with Regulations Governing Qualification Requirements for the Promoter or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company.

Article 36 (Diversification of Board of Directors of Subsidiaries)

The board of directors of the Company shall deploy at least one directors with related business expertise for each or its major subsidiary and shall have directors of different professional backgrounds, gender or work areas.

Article 37 (Establishment, Qualification and Concurrent Positions Held of Independent Directors)

The Company shall appoint 3 or more independent directors, in accordance with the Articles of Incorporation. The number of independent directors shall not be less than one-third of the total number of members of the board directors.

The independent directors shall have certain professional knowledge, and their shareholdings as well as concurrent serving shall be restricted. Unless otherwise provided by applicable laws, it is advisable that any independent director shall not serve concurrently for more than four public traded/OTC companies as a director (including independent director), and shall not concurrently serve as more than three independent directors of other public companies, and shall maintain independent with the services of its duties without any direct or indirect conflict of interest with the Company.

Where an independent director of the Company serves concurrently as an independent director in more than one listed company wholly-owned by the Company, the number of concurrent posts shall be included for calculating the number of companies where the independent director serves concurrent roles.

The Company's independent directors should not serve more than three consecutive terms and their combined terms as independent directors of the Company and subsidiaries shall not exceed three terms.

After serving for three consecutive terms, an independent director of the Company may serve as an independent director of the Company or subsidiaries only after an interval of at least two years and not consecutive to the term of the previous year (i.e., at least one term break is required).

Change of status between independent directors and non-independent directors during their term of office is prohibited.

After retirement, an independent director may serve as a non-independent

director of the Company or subsidiaries only after an interval of at least two years and not consecutive to the term of the previous year.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination, and other requirements, with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the rules and regulations of the Taiwan Stock Exchange or GreTai Securities Market.

Article 38 (Responsibilities Shall be Defined)

The responsibilities of the chairman and president of the Company shall be clearly defined. The chairman and president shall not be held by the same person nor spouse without the approval of the competent authority.

Article 39 (Duties and Remuneration of Independent Directors)

The Company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. In cases where an independent director is tasked with handling material events or cases of concern, the independent director may, where necessary, appoint a third-party expert to assist in evaluations or request internal auditors to carry out a special audit or conduct follow-up monitoring. The Company and other members of the Board of Directors may not obstruct, refuse, or deny Independent Directors in their performance of business. The company shall specify the remuneration of directors in accordance with relevant laws and regulations. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Article 40 (Main Duties of the Board of Directors and Intellectual Property Regulatory System)

In order to achieve the objective of corporate governance, the main duties of the board of directors are as follows:

1. Set up effective and appropriate internal control system.
2. Select and supervise managers.
3. Review the management decisions, operation proposals of the Company, and supervision of its enforcement.
4. Review the financial goals of the Company, and supervise the completion of those goals.
5. Supervise the operation results of the Company.
6. Review the performance evaluation benchmark and remuneration standard for the managers and the remuneration structure and system for the directors.
7. Supervise the Company's establishment of an effective risk management mechanism.
8. Supervise the Company's compliance with relevant laws and regulations.
9. Planning the future development direction of the Company.
10. Protect and maintain the Company image.
11. Appoint accountants and other professionals.

The Company's board of directors is advised to evaluate and monitor the following aspects of direction of operation and performance in connection with intellectual properties, to ensure the company develops an intellectual

property regulatory system in accordance with the Plan-Do-Check-Act cycle:

1. Formulate intellectual property regulatory policies, objectives and systems that are slightly associated with the operational strategies.
2. Develop, implement and maintain on the basis of scale and form its regulatory systems governing the procurement, protection, maintenance and utilization of intellectual properties.
3. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property regulatory system.
4. Observe internally and externally the risks and opportunities that intellectual property regulation may present and adopt corresponding measures.
5. Plan for and implement a continuous improvement mechanism to ensure the operation and effects of the intellectual property regulatory regime meet the company's expectations.

Article 41 (Attendance Rate of the Board of Directors)

To implement corporate governance and enhance the operations of the board of directors, the actual attendance rate of all directors of the board averages shall be above 85% and actual attendance rate of more than half of all directors shall also be above 80%.

Article 42 (Reasons for Independent Directors to Notify Competent Authority)

Where an independent director's suggestions regarding material deficiencies or violation in the business management are not accepted by the Company management, and where the inaction might lead to material losses to the Company, the independent director shall report immediately to the competent authority.

Article 43 (Principles for Appointment of the Directors and Supervisors of Subsidiaries)

The directors and supervisors of subsidiaries fully owned by the Company shall be appointed by the Company in compliance with the following principles:

1. Assigned the appropriate seats according to the size of the subsidiaries, and at least include one female director or supervisor.
2. Qualifications shall meet the requirements of each respective relevant competent authority. If there is none, in addition to compliance with the provisions of Article 30 of the Company Law, at least more than one-half of the directors shall have the business expertise of the subsidiary.
3. The Company shall appoint independent directors for Bank, securities and insurance subsidiaries whose shares have been publicly issued. The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, and the minimum amount or ratio of independent directors shall comply with the Securities and Exchange Act and regulations of competent authorities.

The independent directors of paragraph 3 of the preceding paragraph shall not be reassigned without proper reasons during their term of office.

Section 2 The Audit Committee and Other Functional Committees

Article 44 (Functional Committees)

In order to strengthen management mechanisms, the board of directors may set

up various functional committees whose exercising power and rules are to be approval by the board of directors. The content shall contain the numbers, qualification conditions, terms of office, and power of committee members, as well as the meeting rules and resources to be provided by the Company for exercise of power by the committee.

Functional committees shall be responsible to the board of directors and shall submit their proposal to the board of directors for approval, provided that the performance of supervisor's duties by the audit committee pursuant to the Securities Exchange Act, the Company Act and other laws shall be excluded.

Article 45 (Establishment and Exercise of Powers of the Audit Committee)

The Company has set up an audit committee since the fourth session of the board of directors, the Audit Committee shall consist entirely of independent directors of the Company, with no less than 3 members. One member shall be the convener, and at least one member shall have accounting or financial expertise. The exercise of the powers of the Audit Committee and the duties of the Independent Directors and related provisions shall be processed in accordance with the Securities and Exchange Act, Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and regulations of Taiwan Stock Exchange or Taipei Exchange.

For audit committee to timely discover any possible irregular conduct in the Company, the Company shall establish a channel for audit committee to communicate with the employees, shareholders, and stakeholders.

Upon discovering any irregular conduct, audit committee shall take appropriate measures timely to curb the expansion of the irregular conduct, and file a report to the relevant regulatory authorities or agencies if necessary. When an independent director or president, an officer of the finance, accounting or internal audit department, or a CPA resigns or is removed from his/her position, audit committee shall investigate the reasons.

Article 46 (Establishment and Exercise of Powers of the Remuneration Committee)

The Company shall establish a remuneration committee which shall consist of no less than three members and more than half of the members shall be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.

Article 47 (Retaining Legal Counsels)

It is advisable that the Company engage a professional and competent legal counsel to provide adequate legal consultation services to the Company, or to assist the board of directors, functional committees and the management to improve their knowledge of the law, for the purposes of preventing any infraction of laws or regulations by the Company or its staff and ensuring that corporate governance matters proceed pursuant to the relevant legal framework and the prescribed procedures.

When, as a result of performing their lawful duties, directors or the management are involved in litigation or a dispute with shareholders, the Company shall retain a legal counsel to provide assistance as circumstances

require.

The audit committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the Company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the Company.

Article 48 (Enhancing and Improving the Quality of Financial Reports)

To improve the quality of its financial reports, the Company shall establish the position of deputy to its principal accounting officer.

To enhance the professional abilities of the deputy accounting officer of the preceding paragraph, the deputy's continuing education shall proceed in accordance with the schedule of the principal accounting officer. Related accounting personnel that participate in the formulation of accounting reports shall also take at least six hours of professional courses each year. The continuing studies include internal education and training courses organized by the Company or its subsidiary company or professional courses offered by accounting supervisory institutions.

The Board of the Company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the Company. With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the auditor during the review, and concrete measures for improvement or prevention suggested by the auditor, the Company shall faithfully implement improvement actions. The Company should establish channels and mechanisms of communication between independent directors or the Audit Committee and the attesting CPA, and to incorporate procedures for that purpose into the Company's internal control system for management purposes.

The Company shall refer to Audit Quality Indicators (AQIs) and evaluate the independence and qualifications of the CPA engaged by the Company regularly, and no less frequently than once annually. In the event that the Company engages the same CPA without replacement for seven years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.

Section 3 Rules for the Proceedings of Board Meetings and the Decision-Making Procedures

Article 49 (Rules of Procedures and Convocation Procedures for Board Meetings)

The Company shall adopt rules of procedure for board meetings, which shall follow the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

The board of directors shall call the general meeting once every month and the Board is the secretarial unit of the Company.

To convene a board meeting, a meeting notice which specifies the purposes of

the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. However, a board of directors' meeting may be called at any time in the event of an emergency or at the request of a majority of the directors.

If the meeting materials are deemed inadequate, a director may ask the secretarial unit to provide more information. If the meeting materials are deemed inadequate, a director may request a postponement of the meeting with the consent of the board of directors.

Article 49-1 (Remote Work Regulations of the Chairman)

The chairman is the chairman of the shareholders meeting and the board of directors internally, and represents the Company externally. The chairman shall loyally conduct business operation, and perform the duty of care of a good administrator. In conducting the company affairs, the chairman shall exercise their powers highly self-disciplined and prudently.

If the chairman carries out the duties through remote work, work from home, video conference, or other similar methods for an extended period, in addition to complying with the preceding paragraph, the chairman shall ensure the effective execution of the duties.

Article 49-2 (Representatives of the Chairman and Directors)

In case the chairman is on leave or absent or can not exercise the power and authority for any cause, the chairman shall designate one of the directors. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors.

When the chairman designates the acting chairman or when the directors elect the acting chairman from among themselves in accordance with the preceding paragraph, the candidate must meet the principle of the separation of banking and commerce specified in the Regulations Governing Qualification Requirements for the Founder or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company.

The acting chairman's exercise of powers and duties during the period may not exceed those of the chairman. If there are restrictions, they must be listed in detail before the appointment.

Each director shall attend the meeting of the board of directors in person, unless as otherwise provided for in the Articles of Incorporation that a director may be represented by another director. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy referred to one other director only.

Article 50 (Recusal of Directors' Interests)

If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director shall voluntarily recuse, may not participate in discussion

or voting on that proposal. The director also may not act as another director's proxy to exercise voting rights on that matter. The directors shall practice self-discipline and must not support one another in improper dealings.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Matters requiring the voluntary recusal of a director in Paragraph 1, shall be clearly set forth in the rules of procedure for board meetings.

Directors, managements, employees and substantial controllers of the Company shall not take advantage of their positions or influence in the Company to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 51 (Attendance of Independent Directors and Professionals)

The Company shall have at least one independent directors, when a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of the Securities and Exchange Act, an independent director of the Company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

If any of the following circumstances, decisions made by the board of directors meeting shall be noted in the meeting minutes, and in addition, publicly announced and filed in accordance with the regulations of Taiwan Stock Exchange Corporation:

1. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
2. The matter was not approved by the audit committee, but had the consent of more than two-thirds of all directors.

During a board meeting, personnel from relevant departments or subsidiaries may, in view of the meeting agenda, sit in at the meetings, make reports on business conditions and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings and explanation, provided that they shall leave the meeting when deliberation or voting takes place.

Article 52 (Minutes of the Board of Directors)

Staff personnel of the Company attending board meetings shall collect and correctly record the meeting minutes, as well as a summary, the method of resolution, and voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

The minutes of the board of directors meetings shall be signed by the chairperson and secretary of the meeting and sent to each director within 20 days after the meeting. The director attendance records and the power of

attorney shall be made part of the meeting minutes, treated as important corporate records, and kept safe permanently during the life of the Company. Meeting minutes may be produced, distributed, and preserved by electronic means.

The entire proceedings of a board of directors meeting shall record on audio or video tape and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph a lawsuit arises with respect to a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be retained until the conclusion of the litigation.

Where a board meeting is held via teleconference or video conference, the audio or video recording of the meeting from a part of the meeting minutes and shall be retained for the duration of the existence of the Company.

When a resolution of the board of directors violates laws, regulations, the articles of incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the Company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 53 (Implementation and Review of Resolutions of the Board of Directors)

The Company shall ask the appropriate corporate department or personnel to execute matters pursuant to board of directors' resolutions in a manner consistent with the planned schedule and objectives. It shall also follow up on those matters and faithfully review their implementation.

The board of directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

Section 4 Fiduciary Duty, Duty of Care and Responsibility of Directors

Article 54 (Performance Evaluation of the Board of Directors)

The directors of the Company shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the articles of incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors.

The Company shall conduct regular self-evaluations or peer evaluations of the board of directors and individual directors each year and submit the results of the performance evaluation to the board of directors. The performance evaluation of the board of directors shall include the following categories and evaluation indicators shall be established in accordance with the Company's requirements:

1. Degree of participation in the Company's operations.
2. Improving the quality of the board's decisions.
3. Board organization and structure.
4. The election of the directors and their continuing professional education.
5. Internal control.

The performance evaluation of the board of directors (self-evaluations or peer evaluations) shall include the following categories and they shall be adjusted where necessary in accordance with the Company's requirements:

1. Familiarity with the goals and missions of the Company.
2. Understanding of director duties and functions.
3. Degree of participation in the Company's operations.
4. Internal relations management and communication.
5. Director expertise and continuing education.
6. Internal control.

The Company shall conduct regular performance evaluation of the functional committees each year. The performance evaluation shall include the following categories, and proper evaluation indicators shall be established in accordance with the Company's requirements:

1. Degree of participation in the Company's operations.
2. Recognition of duties and responsibilities of the functional committees.
3. Improvement to the decision-making quality of the functional committees.
4. Composition of the functional committees and election of members.
5. Internal control.

Article 55 (Right to Discontinue the Implementation of the Resolution)

If a resolution of the board of directors violates law, regulations or the articles of incorporation, then at the request of shareholders holding shares continuously for a year or an independent director to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering a likelihood that the Company would suffer material injury, a director shall immediately notify the audit committee or an independent director member of the audit committee in accordance with the foregoing paragraph. A director then shall report to the board of directors and shall supervise the Company to report to the authorities concerned.

Article 56 (Obligation to Disclose Changes in Equity of Directors)

The aggregate shareholding percentage of all of the directors of the Company shall comply with the laws and regulations. Restrictions on the share transfer of each director and the creation, release, or changes of any pledges over the shares held by each director shall be subject to the relevant laws and regulations, and the relevant information shall be fully disclosed.

Article 57 (Director Liability Insurance)

The Company will be held responsible for any liabilities incurred by its directors and main employees during the performance of their duties, and shall maintain the liability insurance with the insurance company to reduce and mitigate any risk of significant loss which the Company and its shareholders may suffer due to the error or omission by the directors.

After the Company purchases or renews the director liability insurance, it shall report the important information such as the insurance amount, coverage and premium rate in the most recent Board meeting.

Article 58 (Continuing Training for Directors)

The directors of the Company are advised to participate in training courses on finance, risk management, business, commerce, accounting, law, prevention of

money laundering and terrorism financing, corporate social responsibility, internal control system or financial reporting responsibility offered by institutions designated in the Rules Governing Implementation of Continuing Education for Directors of TWSE/GTSM Listed Companies, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that the Company's employees at all levels will enhance their professionalism and knowledge of the law.

The hours and scope of annual training for the directors of the Company are specified in FFHC Implementation Rules of Continuing Training for Directors.

Chapter 5 Respect The Rights and Interests of Stakeholders

Article 59 (Stakeholders Communication and Rights and Interests Protection)

The Company shall maintain channels of communication with its clients, banks, other creditors, employees, consumers, community, or other stakeholders, and shall respect and safeguard their legal rights. It is advisable for the Company to designate a stakeholders section on the Company's website.

When any of a stakeholder's legal rights or interests is harmed, the Company shall handle the matter in a proper manner and in good faith.

The Company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the Company and its decision-making process. When any of their legal rights or interest is harmed, the Company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

The Company shall supervise its subsidiaries of the aforesaid three paragraphs.

Article 60 (Consumer Protection)

The Company shall supervise its subsidiaries to establish consumer protection policy, including the handling of consumer complaints and disputes.

Article 61 (Channels of Communication with Employees and Practice for Social Responsibility)

The Company shall establish channels of communication with employees and encourage employees to communicate directly with the management or directors so as to reflect employees' opinions about the management, financial conditions, and material decisions of the Company concerning employee welfare.

When the Company distributes employee bonus in stock, it shall consider the employee benefits of the Company and its subsidiaries, and shall make a comprehensive assessment of the employee contribution to the Company and its subsidiaries.

In developing normal business and ensure the shareholders' interest, the Company shall pay attention to consumers' interests, environmental protection of the community, and public interest issues, and shall give serious regard to the Company's social responsibility.

Chapter 6 Enhance Information Transparency

Article 62 (Information Disclosure)

The Company shall perform its responsibility and obligations faithfully in accordance with the relevant laws and regulations, the articles of incorporation and the related TWSE rules.

Article 63 (Internet-Based Reporting)

The Company shall establish an Internet-based reporting system for public information, appoint personnel responsible for gathering and disclosing the information, and establish a spokesperson system so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.

Article 64 (Spokesperson System)

In order to enhance the accuracy and timeliness of the material information disclosed, the Company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the Company's financial and business conditions and who are capable of coordinating among departments for gathering relevant information and representing the Company in making statements independently.

The Company shall appoint one or more acting spokespersons who shall represent the Company, when the spokesperson cannot perform his/her duties, in making statements independently, provided that the order of authority is established to avoid any confusion.

In order to implement the spokesperson system, the Company shall unify the process of making external statements. It shall require the management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will. The Company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 65 (Set up a Company Website)

In order to keep shareholders and stakeholders fully informed, the Company shall set up a website containing the information regarding the Company's financial, operations and corporate governance. It is also advisable for the Company to furnish the finance and corporate governance or other relevant information in English for the needs of foreign investors.

To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 66 (Investor Conference)

The Company shall hold an investor conference in compliance with the regulations of the TWSE, and shall keep an audio or video record of the meeting, and provided for inquiry through the website established by the Company, or through other channels.

Article 67 (Disclosure of Corporate Governance Information)

The Company shall dedicate a space on its website to disclose and update from time to time the following information regarding corporate governance:

1. Board of directors: such as resumes and authorities and responsibilities of board members, board member diversification policy and the

implementation thereof.

2. Functional committees: such as resumes and authorities and responsibilities of members of each functional committee.
3. Corporate governance bylaws: such as articles of incorporation, procedure of board of directors meetings, charter of each functional committee, and other relevant corporate governance bylaws.
4. Important corporate governance information: such as information of establishment of corporate governance executive officers.

Article 68 (Announcements of Financial Statements)

The Company shall comply with the Financial Holding Company Act and the Securities and Exchange Act and make regular announcements or disclosures of its financial statements audited by accountants, approved by the audit committee and resolved by the board of directors, consolidated financial statements, and financial statements of subsidiaries.

Article 69 (Concentration Control)

Information on the total amount or percentage of credit extended and other transactions entered into with the same person, same concerned parties, or same related entities of the Company's subsidiaries shall be filed with the competent authority and disclose the same via public announcement, the internet or other methods as specified by the competent authority, within thirty days of each quarter end of each business year.

All subsidiaries of the Company shall establish information system to allow the inquiry and monitoring of transactions of the same person, same concerned parties, or same related entities, appoint the responsible unit to collect and file the information for the purpose of declaration.

Article 70 (Disclosure of Information on Transactions with Related Parties)

The Company shall make full disclosure of information on transactions with its related parties and follow the applicable rules to disclose the information on transactions that are above certain amount between its subsidiaries and their related parties.

The aforesaid related party shall be determined by Article 23 of the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies. In addition to the legal definition, the determination of a stakeholder shall take into account the actual relationship.

Article 71 (Capital Adequacy)

The Company and its subsidiaries shall comply with the Financial Holding Company Act and the related rules on capital adequacy ratio applicable in individual industries. The Company shall follow the calculation formulae and forms and tables promulgated by the competent authority and report the audited capital adequacy ratio for the group and shall submit related documents as required within two months after the settlement or when ordered to by the competent authority.

Article 72 (Material Information)

In the event that the Company and its subsidiaries have material information, in addition to holding a press conference to comply with the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, it shall input in the Internet information reporting system two hours before the trading hours commence on

the trading day following the date of event occurrence and shall also input in English.

Chapter 7 Supplementary Provisions

Article 73 (Laws and Ordinances)

Matters not stipulated in this “Corporate Governance Best Practice Principles for First Financial Holding “shall be governed by relevant laws and ordinances such as the Company Act, the Securities and Exchange Act and the Financial Holding Company Act.

Article 74 (Approval Level)

These Principles and its amendment shall become effective by the resolution of the Board.

Article 75 (Date of Enforcement and Amendment)

These Principles was established on November 20, 2014

The first amendment to these Principles was made on November 18, 2016.

The second amendment to these Principles was made on April 28, 2017.

The third amendment to these Principles was made on October 26, 2017.

The fourth amendment to these Principles was made on August 22, 2019.

The fifth amendment to these Principles was made on March 26, 2020.

The sixth amendment to these Principles was made on November 24, 2022.

The seventh amendment to these Principles was made on February 23, 2023.

The eighth amendment to these Principles was made on August 24, 2023.

The ninth amendment to these Principles was made on December 21, 2023.

The tenth amendment to these Principles was made on March 22, 2024.

The eleventh amendment to these Principles was made on October 23, 2024.