

E.SUN FINANCIAL HOLDING CO., LTD.

GENERAL SHAREHOLDERS MEETING 2022

Meeting Minutes

(This document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.)

Time: 09:00 AM, 17 June 2022 (Friday)

Place: The Taipei Herohouse
(No.20, Sec. 1, Changsha St., Taipei City, Taiwan)

Means of Holding : visual communication assisted shareholders meeting

(physical shareholders meeting supported by video conferencing)

Virtual Meeting Platform : Adopt the Virtual Meeting Platform of Taiwan Depository & Clearing Corporation (TDCC)

【<https://www.stockvote.com.tw>】

Attendance: Total shares represented by the shareholders present at the meeting in person or by proxy are 8,953,830,574 shares (including 7,950,342,265 shares represented by the shareholders by electronic voting method), representing 67.05% of the total issued shares of the Company (13,354,600,000 shares).

Attending without the right to vote:

Director: Joseph N.C. Huang (Convener of the Board Risk Management Committee), Jackson Mai, Ron-Chu Chen, Chien-Li Wu, Magi Chen, Mao-Chin Chen

Independent Director: Ryh-Yan Chang (Convener of the Audit Committee), Chun-Yao Huang (Convener of the Remuneration Committee), Ying-Hsin Tsai (Convener of the Corporate Governance and Nomination Committee), Hung-Chang Chiu, Ruey-Lin Hsiao

Yang, Chen-Hsiu, CPA from Deloitte & Touche, Taiwan

Bo-Cen Lu, Attorney-at-Law from Baker & McKenzie, Taipei

Chairperson: Yung-Jen Huang, Chairman of the Board of Directors

Minutes taken down by Mei-Cheng Chu

I. Procedure of meeting

1. Meeting duly commences in session.

2. General greetings.

3. Address by Chairman.

II. Matters for report

1. Report on the state of business of the Company in fiscal year 2021 by the President.

Decision: Report noted.

(The shareholder with A/C No. 453772 raised questions virtually regarding the impact of USD appreciation and interest rate hike; The shareholder with A/C No. 597923 raised questions virtually regarding overseas profitability. The Chairman appointed staff to replied to the shareholders online.)

2. Report on the inspection and auditing of the final account for fiscal year 2021 and communications with internal auditing officers by the Audit Committee.

Explanation:

- (1) The Company's financial statements for 2021 were audited by the Audit Committee, and all the independent directors jointly issued an audit report thereof.

- (2) The communication between the Audit Committee and the internal audit supervisor is as follows:

Date	Object	Issues to communicate	Result
January 20, 2021	General Auditor	Submission of the 2020 Q4 audit working papers.	1. Explain and exchange opinions on issues raised by independent directors. 2. Proceed as recommended.
April 21, 2021	General Auditor	Submission of the 2021 Q1 audit working papers.	Duly noted without further recommendations.
August 18, 2021	General Auditor	Submission of the 2021 Q2 audit working papers.	Duly noted without further recommendations.
November 10, 2021	General Auditor	Submission of the 2021 Q3 audit working papers and matters immediately reported to directors in accordance with the principle of materiality.	Duly noted without further recommendations.
		Submission of the 2022 audit plan.	The plan was passed by a vote and no other recommendation.

Date	Object	Issues to communicate	Result
November 12, 2021	General Auditor and other auditors	Discussions on internal/external audit related matters.	<ol style="list-style-type: none"> 1. Explain and exchange opinions on issues raised by independent directors. 2. Proceed as recommended.

Decision: Report noted.

3. Amendment of the "Corporate Social Responsibility Best Practice Principles" and rename to "Sustainable Development Best Practice Principles".

Explanation:

(1) This report is made in accordance with the Sustainable Development Best Practice Principles, Article 5 and Article 31.

(2) The key points of the amendments are as follows:

2.1 To comply with the international development trend and realize the goal of sustainable development, the Stock Exchange 2021.12.07 Announcement No. 1100024173 amended the "CSR Best Practice Principles for TWSE/GTSM Listed Companies" to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", and therefore the company change its "E.SUN FHC Corporate Social Responsibility Best Practice Principles" to "E.SUN FHC Sustainable Development Best Practice Principles"

2.2 Based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development, the paragraph is amended from "corporate social responsibility" to "sustainable development. (Article 2~5, 7~10, 28~30)

2.3 Adjust the scope of enforcing corporate greenhouse gas inventory and making disclosures thereof. (Article 17)

(3) A comparison chart on amendments to "Sustainable Development Best Practice Principles" can be found below (please refer to Appendix 1 on p.67~p.72 of this Handbook for the full amended version).

Decision: Report noted.

Comparison Chart: Amendment of the Corporate Social Responsibility Best Practice Principles of E.SUN FHC

After amended	Before amended	Explanations
E.SUN FHC <u>Sustainable Development</u> Best Practice Principles	E.SUN FHC <u>Corporate Social Responsibility</u> Best Practice Principles	To comply with the international development trend and realize the goal of sustainable development, the Stock Exchange 2021.12.7 Announcement No. 1100024173 amended the "CSR Best Practice Principles for TWSE/GTSM Listed Companies" to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", and therefore the company change its "E.SUN FHC Corporate Social Responsibility Best Practice Principles" to "E.SUN FHC Sustainable Development Best Practice Principles"

After amended	Before amended	Explanations
Article 1 These Principles are adopted in accordance with the " <u>Sustainable Development</u> Best Practice Principles for TWSE/GTSM Listed Companies" for the implementation of corporate social responsibilities, promotion of economic, environmental, and societal advancement to achieve sustainable development, and management of the Company's economic, environmental, and social risks and influences.	Article 1 These Principles are adopted in accordance with the " <u>CSR</u> Best Practice Principles for TWSE/GTSM Listed Companies" for the implementation of corporate social responsibilities, promotion of economic, environmental, and societal advancement to achieve sustainable development, and management of the Company's economic, environmental, and social risks and influences.	In conjunction with the revision of the "CSR Best Practice Principles for TWSE/GTSM Listed Companies," the reference basis for this article is revised.

After amended	Before amended	Explanations
<p>Article 2 (...) The Company shall actively fulfill <u>sustainable development</u> so as to follow international development trends. The Company shall contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>sustainable development</u>.</p>	<p>Article 2 (...) The Company shall actively fulfill its <u>corporate social responsibility</u> so as to follow international development trends. The Company shall contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>corporate social responsibility</u>.</p>	<p>Paragraph 2 of this article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>
<p>Article 3 In <u>promoting sustainable development</u>, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance. (...)</p>	<p>Article 3 In <u>fulfilling corporate social responsibility</u> initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance. (...)</p>	<p>same as above</p>
<p>Article 4 To implement <u>sustainable development</u> initiatives, the Company should follow the following principles: I. Fully implement the corporate governance system. II. Build a sustainable environment. III. Safeguarding public welfare. IV. Enhancing the <u>sustainable development</u> information disclosure.</p>	<p>Article 4 To implement <u>corporate social responsibility</u> initiatives, the Company should follow the following principles: I. Fully implement the corporate governance system. II. Build a sustainable environment. III. Safeguarding public welfare. IV. Enhancing the <u>CSR</u> information disclosure.</p>	<p>same as above</p>

After amended	Before amended	Explanations
<p>Article 5</p> <p>The Company shall continue to track international trends on the <u>sustainable development</u> front, including the Sustainable Development Goals of the U.N., the Principles for Responsible Banking, the Principles for Responsible Investment, and the Paris Agreement while complying with the Equator Principles and signing up for relevant requirements issued by the Task Force on Climate-Related Financial Disclosures. The Company shall also take into consideration the correlation between the above development trends and corporate core business operations, and the effect of the operation of the Company and of its respective subsidiaries as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> programs, which shall be approved by the board of directors and then reported in the shareholders meeting.</p> <p>When a shareholder proposes a motion involving <u>sustainable development</u>, the Company's board of directors should review and consider including it in the shareholders meeting agenda.</p>	<p>Article 5</p> <p>The Company shall continue to track international trends on the <u>corporate social responsibility</u> front, including the Sustainable Development Goals of the U.N., the Principles for Responsible Banking, the Principles for Responsible Investment, and the Paris Agreement while complying with the Equator Principles and signing up for relevant requirements issued by the Task Force on Climate-Related Financial Disclosures. The Company shall also take into consideration the correlation between the above development trends and corporate core business operations, and the effect of the operation of the Company and of its respective subsidiaries as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> programs, which shall be approved by the board of directors and then reported in the shareholders meeting.</p> <p>When a shareholder proposes a motion involving <u>corporate social responsibility</u>, the Company's board of directors should review and consider including it in the shareholders meeting agenda.</p>	<p>same as above</p>
<p>Article 7</p> <p>The board of directors of the Company shall exercise the due care of a good administrator and supervise the implementation of relevant <u>sustainable development</u> policies. They shall review the implementation progress from time to time and make continuous improvement to ensure the fulfillment of all <u>sustainable</u></p>	<p>Article 7</p> <p>The board of directors of the Company shall exercise the due care of a good administrator and supervise the implementation of relevant <u>CSR</u> policies. They shall review the implementation progress from time to time and make continuous improvement to ensure the fulfillment of all <u>CSR</u></p>	<p>same as above</p>

After amended	Before amended	Explanations
<p><u>development</u> requirements. The Company's board of directors should give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its <u>sustainable development</u> initiatives:</p> <p>I. Identifying the Company's <u>sustainable development</u> mission or vision, and declaring its <u>sustainable development</u> policy, systems or relevant management guidelines;</p> <p>II. Making <u>sustainable development</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>sustainable development</u> initiatives; and</p> <p>III. Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> information. (...)</p>	<p>requirements. The Company's board of directors should give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its <u>corporate social responsibility</u> initiatives:</p> <p>I. Identifying the Company's <u>corporate social responsibility</u> mission or vision, and declaring its <u>corporate social responsibility</u> policy, systems or relevant management guidelines;</p> <p>II. Making <u>corporate social responsibility</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>corporate social responsibility</u> initiatives; and</p> <p>III. Enhancing the timeliness and accuracy of the disclosure of <u>corporate social responsibility</u> information. (...)</p>	
<p>Article 8 The Company shall, on a regular basis, organize education and training on the implementation of <u>sustainable development</u> initiatives, including promotion of the matters prescribed under Paragraph 2 of the preceding Article.</p>	<p>Article 8 The Company shall, on a regular basis, organize education and training on the implementation of <u>corporate social responsibility</u> initiatives, including promotion of the matters prescribed under Paragraph 2 of the preceding Article.</p>	<p>same as above</p>
<p>Article 9 For the purpose of managing <u>sustainable development</u> initiatives, the Company shall establish a <u>governance structure to promote sustainable development</u>, and an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems, or relevant management</p>	<p>Article 9 For the purpose of managing <u>corporate social responsibility</u> initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>corporate social responsibility</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to</p>	<p>1. To improve the management of sustainable development of companies, companies should strengthen the promotion of sustainable development goals by establishing a</p>

After amended	Before amended	Explanations
<p>guidelines, and concrete promotional plans and to report to the board of directors on a periodic basis.</p> <p>The Company shall adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.</p> <p>Employee performance evaluation system shall be combined with <u>sustainable development</u> policies, and a clear and effective incentive and discipline system shall be established.</p>	<p>report to the board of directors on a periodic basis.</p> <p>The Company shall adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.</p> <p>Employee performance evaluation system shall be combined with <u>corporate social responsibility</u> policies, and a clear and effective incentive and discipline system shall be established.</p>	<p>governance structure. Therefore the Company amended paragraph 1 of this article according to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies article8.</p> <p>2.Paragraphs 2 and 3 of this article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>
<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>sustainable development</u> issues which they are concerned about.</p>	<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>corporate social responsibility</u> issues which they are concerned about.</p>	<p>This article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>
<p>Article 12</p> <p>The Company shall endeavor to <u>improve energy efficiency</u> and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Article 12</p> <p>The Company shall endeavor to <u>utilize all resources more efficiently</u> and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>This article is amended following Article 12 of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" to manage energy use and reduce greenhouse gas</p>

After amended	Before amended	Explanations
<p>Article 17</p> <p>The Company should assess the risks and opportunities that climate change may bring in the immediate and long terms, and adopt countermeasures to address related issues.</p> <p>The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>imported</u> electricity, heat, or steam.</p> <p>III. <u>Other indirect emissions: Emissions from company activities that are not indirect emissions from energy sources but originate from sources owned or controlled by other companies.</u></p> <p>(...)</p>	<p>Article 17</p> <p>The Company should assess the risks and opportunities that climate change may bring in the immediate and long terms, and adopt countermeasures to address <u>climate</u>-related issues.</p> <p>The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>externally purchased</u> or <u>acquired</u> electricity, heat, or steam.</p>	<p>emissions.</p> <ol style="list-style-type: none"> 1. The company evaluates the risks and opportunities related to climate change and the measures it should take to deal with climate change, including but not limited to climate-related issues. Therefore, paragraph 1 of this article is amended by Article 17 of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. 2. The electricity related to indirect greenhouse gas emissions should include but not be limited to externally purchased or acquired electricity. Therefore, paragraph 2 of this article is amended according to Article 17 of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. 3. To achieve the goal of reducing greenhouse gas emissions and disclose other indirect greenhouse gas emissions in Scope 3, subsection 3 of paragraph 2 of this article is added

After amended	Before amended	Explanations
		according to article 17 of Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
<p>Chapter V Enhancing Disclosure of <u>sustainable development</u> Information Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its <u>sustainable development</u> initiatives to improve information transparency. Information relating to <u>sustainable development</u> which is to be disclosed by the Company includes the following: I.The policy, systems, or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> initiatives, as resolved by the board of directors. II. The risks involved or influences on the business operation or financial status of the Company due to the implementation of corporate governance system, the development of sustainable environment, or the protection of public welfare, etc. III. The Company's objectives and measures for <u>promoting</u> the <u>sustainable development</u>, and performance in implementation. IV.Major interested parties and the issues of concern. V.Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. VI. Other <u>sustainable development</u>-related information.</p>	<p>Chapter V Enhancing Disclosure of <u>CSR</u> Information Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its <u>corporate social responsibility</u> initiatives to improve information transparency. Information relating to <u>corporate social responsibility</u> which is to be disclosed by the Company includes the following: I.The policy, systems, or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> initiatives, as resolved by the board of directors. II. The risks involved or influences on the business operation or financial status of the Company due to the implementation of corporate governance system, the development of sustainable environment, or the protection of public welfare, etc. III.The Company's objectives and measures for <u>fulfilling</u> the <u>corporate social responsibility</u>, and performance in implementation. IV.Major interested parties and the issues of concern. V.Disclosure of information on major suppliers' management and performance with respect to</p>	<p>1. The title of Chapter 5 is amended in conjunction with the amendment of Article 4, paragraph 4. 2. This article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>

After amended	Before amended	Explanations
	<p>major environmental and social issues.</p> <p>VI. Other <u>CSR</u>-related information.</p>	
<p>Article 29</p> <p>The Company shall adopt internationally widely recognized standards or guidelines when producing <u>sustainable development</u> reports, to disclose the status of its implementation of the <u>sustainable development</u> policy. In addition, the Company should obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports should include the following content:</p> <p>I. The policy, systems, or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> initiatives.</p> <p>II. Major interested parties and the issues of concern.</p> <p>III. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.</p> <p>IV. Improvement plans and targets in future.</p>	<p>Article 29</p> <p>The Company shall adopt internationally widely recognized standards or guidelines when producing <u>corporate social responsibility</u> reports, to disclose the status of its implementation of the <u>corporate social responsibility</u> policy. In addition, the Company should obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports should include the following content:</p> <p>I. The policy, systems, or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> initiatives.</p> <p>II. Major interested parties and the issues of concern.</p> <p>III. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.</p> <p>IV. Improvement plans and targets in future.</p>	<p>1. In line with the specific promotion measures of "Corporate Governance 3.0 - Blueprint for Sustainable Development", the name of the "Corporate Social Responsibility Report" of listed companies was changed to "Sustainability Report."</p> <p>2. Paragraph 1 and subsection 1 of this article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>
<p>Article 30</p> <p>The Company shall at all times monitor the development of domestic and foreign <u>sustainable development</u> standards and the change of business environment so as to examine and improve its <u>sustainable development</u> framework and to obtain better results from the implementation of the <u>sustainable development</u> policy.</p>	<p>Article 30</p> <p>The Company shall at all times monitor the development of domestic and foreign <u>corporate social responsibility</u> standards and the change of business environment so as to examine and improve its <u>corporate social responsibility</u> framework and to obtain better results from the implementation of the <u>corporate social responsibility</u> policy</p>	<p>This article is amended based on the revision of the principle's name, and the concept that companies should attach importance to corporate social responsibility has expanded to sustainable development.</p>

4. Report on the company's project for promoting sustainable development.

Explanation:

- (1) This report is made in accordance with the Sustainable Development Best Practice Principles, Article 5.
- (2) To fulfill its social responsibility as well as sustainable development, the Company, with a long-term commitment and systematic measures, endeavors to focus on three main dimensions; governance, social, and environmental. A summary of the report is as follows:

2.1 Governance Aspect

2.1.1 Corporate Governance:

Formulate an internal transition according to important measures for 2021-2023 in the Financial Supervisory Commission's Corporate Governance – Sustainable Development Blueprint. Continue to examine the performance evaluation indicators of the Board of Directors and add forward-looking and strategic quantified indicators. Strengthen disclosures of corporate governance information on the Market Observation Post System and websites of subsidiaries.

2.1.2 Legal Compliance:

Continue to improve the professional competencies of compliance personnel, and strengthen integration and coordination between business units of subsidiaries and the three lines of defense through cross-position, cross-field, and cross-border learning. Implement systematic operations, integrate internal and external regulations databases, work together with overseas business locations of subsidiaries, monitor changes in important laws and regulations in Taiwan and overseas, business operations, and the latest supervision trends, and achieve the compliance of E.SUN's units in Taiwan and overseas.

2.1.3 Information Security:

Increase the maturity of overall information security, protect customers' assets, and ensure continued operations. On the basis of the international standard ISO 27001, continue to strengthen the social engineering e-mail identification mechanism, expand the implementation scope of the information security management system, and continue to make improvements based on the PDCA cycle. Monitor events and analyze threats in real time through the Security Operation Center (SOC), and organize information security event response drills to improve the collaboration and response ability of the first and second lines of defense.

2.1.4 Anti-Money Laundering:

Use international laws and regulations on anti-money laundering (AML) as a benchmark to improve AML/CFT management mechanisms, use smart technology to improve the

accuracy of risk identification, monitor international trends and external threats, and exert every effort to prevent financial crime. Implement a diverse training and supervisor system, and use a flexible and autonomous system to improve the efficiency of AML in Taiwan and overseas.

2.2 Social Aspect

2.2.1 Talent Cultivation and Development:

Widely recruit talents from different fields, combine offline courses with e-learning platforms, and cultivate managerial talent with expertise in financial services, technology, and sustainable development. Continue to improve the talent management system, improve the performance of duties by employees in each position, and implement development-oriented performance management. Give employees a bigger stage for career development through diverse development projects, such as job rotation.

2.2.2 Employee Care and Friendly Workplace:

Protect employees' rights and interests, and continue to improve the employee care system, including a mobile office app and work-from-home mechanism. Provide more comprehensive benefits planning and health promotion measures that meet employee needs. Improve the human resources service application platform, care for employees through a variety of flexible communication channels, and create a friendly workplace environment with equality.

2.2.3 Fair Customer Treatment and Customer Experience:

Implement the mystery shopper system for on-site audits and a customer complaint management system that complies with ISO standards, improve the quality of services and customer opinion handling efficiency, integrate the three lines of defense to implement and achieve compliance with the principle of treating customers fairly, and provide complete financial consumer protection. Establish a bank-wide product and process refinement mechanism based on the customer experience, and continue to improve customer satisfaction.

2.2.4 Inclusive Finance:

Utilize the power of technology to improve the customer experience, enhance the competitiveness of digitally native products at the same time, and combine promotion with the digital brand e.Fingo to provide customers with more convenient digital services. For small and micro enterprises, continue to collaborate with industry associations to drive the transformation of local specialty industries. For social enterprises, participate in local government guidance projects and social innovation competitions organized by universities, in order to jointly incubate even more social enterprises.

2.2.5 Social Welfare:

2.2.5.1 Academic Education

The E.SUN Golden Seed Project established 12 E.SUN Libraries, provided picture books, and supported studies on digital reading to improve students' reading literacy. Implement the after-class English assistance project "holding hands in English" in 23 elementary schools to improve the English proficiency of students in rural areas. Engage in industry-academia collaboration with 46 universities to cultivate talent with an expertise in finance, AI, and FinTech, and provide the Outstanding Management Talent Scholarship, ASEAN Talent Scholarship, and Nursing Talent Scholarship to cultivate more outstanding young students.

2.2.5.2 Community Involvement

Implement the student care program, in which assistance will be provided to over 12,000 underprivileged students or students who encounter unforeseen events this year. Co-organize blood donations and free clinics in rural areas together with partners, and continue to provide care to orphanages and children's homes. Assist the development of organic farming, encourage local farmers to engage in organic farming, and engage in activities to spread and promote indigenous culture.

2.2.5.3 Sports Development

Organized the E.SUN Cup International AAA Baseball Tournament for 16 consecutive years, supported the development of baseball in Taiwan, and organized youth baseball training camps, protection camps, and subsidies for baseball teams in rural areas, in order to train even more outstanding baseball players. Supported the participation of Taiwan's national team in international tournaments, such as the U18 World Cup and Asian Baseball Championship, helping the team gain international recognition.

2.2.5.4 Arts and Humanities

Continued to promote high quality arts and reading education events to improve humanistic literacy, and show humanistic care. Organized the E.SUN Awards, Eternal Love Concert, and For Mothers Concert. Supported international music or art performances in Taiwan, such as the Vienna Boys' Choir, to promote more arts and culture events.

2.3 Environmental Aspect

2.3.1 Sustainable Operating Environmentl:

Continued to implement energy conservation and carbon reduction measures, including the replacement of old and energy-consuming air conditions and lights, the replacement

of air conditioners that use R22 refrigerant to air conditions that use eco-friendly refrigerant, and the installation of electric vehicle charging equipment to promote low carbon transportation. New and old buildings all obtained Taiwan and international green building certifications, and promoted the development of renewable energy through the installation of solar panels, purchase of green energy certificates, and signing of renewable energy purchase agreements. Complied with carbon reduction goals defined for the 1.5°C scenario of the SBT, and dedicated efforts to achieve 100% renewable energy use by 2030.

2.3.2 Carbon Reduction:

Continue to manage the Company's energy efficiency and become aligned with international standards according to ISO 50001 Energy Management Systems, ISO 14001 Environmental Management Systems, and ISO 20400 Sustainable Procurement Guidance, and examine the attainment of business management indicators according to ISO 14064 Greenhouse Gas Inventory and ISO 14046 Water Footprint Inventory. Implemented ISO 46001 Water Efficiency Management Systems and used the water footprint inventory as a basis to set suitable water conservation goals, improving water resource management through training, the internal audit system and concrete improvement measures.

2.3.3 Climate Change Risks:

Responded to the Green Finance Action Plan 2.0 by actively participating in the competent authority's domestic climate risk scenario stress tests, and compiling a manual on climate-related risk management practices. Enhanced the Company's climate change risk management mechanism in response to relevant regulations.

Trained professional talent, dedicated efforts to the development of measurement and management tools, and continued to improve TCFD disclosures, in order to implement sustainable development concepts, strengthen climate change response measures, and drive stable business development.

2.3.4 Sustainable Finance:

Exerted influence through financial services, and fulfilled the duty of responsible lending and responsible investment. Further developed ESG together with corporate customers, encouraged participation in ESG actions through ESG-linked loans, and presented ESG performance. Incorporated the spirit of ESG into financial services, and continued to issue sustainable financial products, including green finance and sustainable development bonds, carbon neutral credit cards, and green building loans.

- (3) The foregoing programs may, if the circumstance required or if needed, be adjusted by the Chairman or its designated person on the basis of the environment or special needs.

Decision: Report noted.

5. The status of remuneration distribution to employees and directors.

Explanation:

- (1) This proposal is made in accordance with Article 36 of the Articles of Incorporation of the Company.
- (2) Prior to remuneration distribution to employees and directors, the Company's pretax profit for 2021 came in at NT\$20,528,830,207. In accordance with the ratios in the Articles of Incorporation, employee compensation (2%~5%) was NT\$615,864,906 (including stock and cash compensation), and director compensation (not exceeding 0.9%) was NT\$81,800,000 in cash.
- (3) The remuneration distribution of employees is NT\$ 615,864,906. In accordance with Financial Supervisory Commission regulations Jin-Guan-Zheng-Shen-Zi No. 1050001900 of January 30, 2016, calculation of the foregoing number of allocated shares shall be made on the basis of the closing price NT\$29.90 per share on the day before the Board resolution. The number of shares allocated is 20,500,000 shares, the employee stock remuneration is NT\$612,950,000, and the employee cash remuneration is NT\$2,914,906.

Decision: Report noted.

6. Report on directors' and managers' remuneration policy.

Explanation:

- (1) The Company decides on director remuneration in accordance with its Articles of Incorporation and the E.SUN FHC Rules for Director Remuneration. All remuneration proposals are presented to the Remuneration Committee for review before board approval is sought.
- (2) Linking director remuneration to business performance in tandem with related policy, the Company takes an overall look at the total amount of such remuneration, way of payment, and future risks. Pursuant to the country's latest Corporate Governance Roadmap, the Company caps the growth rate in director remuneration for any given year at that recorded a year earlier in the event of a substantial net profit decline. To establish a mechanism for better linking director remuneration to personal performance and the Bank's future risks, specific ratios are set for a number of "personal performance" indicators that weigh on director remuneration. Also clearly spelled out is the provision that the Board of Directors may resolve to cut back or recover director remuneration if any director is determined to have been involved in a moral hazard event or otherwise undermined the Company's public image and reputation. On January 22, 2021, the Company decided that director remuneration shall be withheld if any director concurrently holds managerial positions at the Company and its subsidiaries; this was put into force from the distribution of director remuneration for 2020.
- (3) In accordance with the Company's Regulations for Remuneration of Managers, the performance review of senior managers and the policy, system, criteria, and structure with regard to their remuneration are subject first to deliberations of the Remuneration Committee and then to approval of the Board of Directors. To motivate managers to achieve and exceed corporate goals, create earnings, and advance business performance, the Company evaluates the remuneration of managers on a regular basis, during which the correlation with future risk is also considered. Such remuneration is granted with salary levels of the Company, industry peers, and the market at large also taken into account. Meanwhile, a reward deferral mechanism is implemented in accordance with the Company's Regulations for Long-Term Incentives so that the remuneration of managers can be linked to the Company's business performance more closely. On the other hand, bonuses for managers are bound to be adversely affected in the event of any major risk event that threatens to undermine corporate reputation, management deficiencies, abuses of various sorts, etc. Bonuses may be slashed or suspended. Meanwhile, the Company will conduct stress tests and scenario simulations to gauge risk that is likely to emerge in the future, based on which the Risk Management Committee will submit a risk exposure report to the Board of Directors every quarter.

(4) The Company's 2021 remuneration ranges for inside and independent directors are as follows:

Unit: NT\$

Bracket	Name of Directors			
	Total Remuneration of Directors		Total Remuneration of Directors Concurrently Serving as Employees	
	The Company	Companies in consolidated financial statements	The Company	Companies in consolidated financial statements
Under 1,000,000	Chairman of E.SUN Bank Joseph N. C. Huang, Magi Chen, Mao-Chin Chen	Magi Chen, Mao-Chin Chen	Mao-Chin Chen	
1,000,000 (inclusive)-2,000,000 (not inclusive)				
2,000,000 (inclusive)-3,500,000 (not inclusive)				
3,500,000 (inclusive)-5,000,000 (not inclusive)				
5,000,000 (inclusive)-10,000,000 (not inclusive)	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	Chairman of E.SUN Bank Joseph N. C. Huang, E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao	E.SUN Culture and Education Foundation (Representative Joseph N. C. Huang), Hsin Tung Yang Co., Ltd. (Representative Jackson Mai), Fu-Yuan Investment Co., Ltd. (Representative Rong-Chu Chen), Shang Li Car Co., Ltd. (Representative Chien-Li Wu), Independent Director Ryh-Yan Chang, Independent Director Chun-Yao Huang, Independent Director Ying-Hsin Tsai, Independent Director Hung-Chang Chiu, Independent Director Ruey-Lin Hsiao
10,000,000 (inclusive)-15,000,000 (not inclusive)				

Bracket	Name of Directors			
	Total Remuneration of Directors		Total Remuneration of Directors Concurrently Serving as Employees	
	The Company	Companies in consolidated financial statements	The Company	Companies in consolidated financial statements
15,000,000 (inclusive)-30,000,000 (not inclusive)	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang)	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Chairman of E.SUN Bank Joseph N. C. Huang	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Magi Chen	E.SUN Volunteer & Social Welfare Foundation (Representative Yung-Jen Huang), Magi Chen, Mao-Chin Chen
30,000,000 (inclusive)-50,000,000 (not inclusive)				Chairman of E.SUN Bank Joseph N. C. Huang,
50,000,000 (inclusive)-100,000,000 (not inclusive)				
Over 100,000,000				
Total	13	13	13	13

Decision: Report noted.

7. Report the adjustment of CPAs.

Explanation:

- (1) This report is made in accordance with the third paragraphs of Article 20 and the first paragraphs of Article 29 of the Articles of Incorporation of the Company.
- (2) With Deloitte Taiwan being engaged to audit and certify the Company's financial report, its internal adjustment led to the replacement of the two CPAs formerly charged with the duty—Chen Ying-Chou and Yang, Chen-Hsiu—with Yang, Chen-Hsiu and Lee, Kuan-Hao, effective from the first quarter of 2022.
- (3) On top of exposure to the financial and electronics industries, Lee, Kuan-Hao is a CPA with a solid track record in audits and certifications, M&As, and internal control system design. While Deloitte Taiwan has presented a statement of independence for Lee, Kuan-Hao, the independence and suitability of all members of the audit team have also been ascertained.
- (4) With the Company's CPAs deemed to have performed favorably and rendered satisfactory service quality in 2021, the Company decided to again engage Deloitte Taiwan to audit and certify its financial report in 2022.

Decision: Report noted.

III. Matters for ratification

Proposal No. 1 as proposed by the Board of Directors:

Proposal: Recognition of the Company's business report and financial statements for fiscal year 2021.

Explanation:

1. This proposal is made pursuant to Article 230 of the Company Act and Article 35 of the Articles of Incorporation of the Company.
2. The financial statements of the Company produced on the year 2021 along with the books and accounts including the business report approved on 11 March 2022 by the 18th meeting of the 7th Board of Directors were audited and certified by Mr. Chen Yin-Chou and Mr. Chen-Hsiu Yang, both of whom were CPA of Deloitte & Touche (Taiwan). The books and accounts were inspected by the Audit Committee and further examined by the independent directors in their inspection report as containing no irregularity afterwards. (Please refer to Appendix 2 and 3 on p.73~p.90 of this Handbook.)

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,488,683,447 (virtual 158,183) (electronic 6,492,892,886)	83.64%	3,796,821 (virtual 0) (electronic 3,171,686)	1,461,345,306 (virtual 712,935) (electronic 1,454,277,693)

Proposal No. 2 as proposed by the Board of Directors:

Proposal: Proposal of net income distribution for fiscal year 2021.

Explanation:

1. The proposed is in accordance with Article 36-1 of the Articles of Incorporation of the Company.
2. For the year 2021, the Company has NT\$20,558,987,551 in after-tax net income that, plus NT\$574,536,363 for items other than the after-tax net profit for the current period, amounts to NT\$21,133,523,914. Minus an NT\$2,113,352,391 legal reserve deduction and an NT\$1,074,086,457 special reserve deduction from the year's "Other Equity Interest" pursuant to Article 41 of the Securities and Exchange Act and plus the undistributed earnings of NT\$9,456,141 at the beginning of the period, the Company has an amount of NT\$17,955,541,207 in earnings distributable for the year. It is planned to distribute earnings totaling NT\$17,947,582,000, where share dividends will be circa NT\$ 0.67 per share (totaling NT\$9,000,000,000) while cash dividends will be NT\$0.67 per share (totaling NT\$8,947,582,000). The balance of NT\$7,959,207 is retained as non-distributed earnings as of the end of the period.
3. A total of 900,000,000 common shares shall be issued to accommodate distribution of the said share dividend. Shareholders recorded in the shareholders' register as of the record date shall be entitled to 67 shares for every 1,000 held. Fractional shares may be paired with one another, held by other shareholders, into a whole share within the specified time period. For shares remained factional with or without being paired, upon expiration of the said period, cash will nevertheless be paid according to their par value (and rounded to the nearest full Taiwan Dollar) and the Chairman is authorized to look for specified persons to buy the fraction of shares according to the face value.
4. The cash dividend being distributed shall be rounded off proportionately to the nearest Taiwan dollar; where there is any cash dividends less than TWD 1, its calculation shall be adjusted in line with a progressive decrease in decimal numbers and a progressive increase in shareholder numbers so that the total of dividend distribution is fully accounted for.
5. It is proposed that the Chairman of the Company would be fully authorized to deal with matters in connection with the change (if any) to the stock (cash) dividend ratio distributable to shareholders as a result of a change in the total outstanding shares of the Company arising from any reasons.

6. Subject to approval of the shareholders' meeting, the Board of Directors and /or the chairman of the Company is authorized to determine the cash dividend record date. Upon approval of the competent authority, the Board of Directors and /or the Chairman of the Company is authorized to determine the stock dividend record date.

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

(The shareholder with A/C No. 597923 raised questions virtually regarding dividend policy. The Chairman appointed staff to replied to the shareholder online.)

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,509,319,926 (virtual 158,183) (electronic 6,513,529,365)	83.87%	4,180,015 (virtual 0) (electronic 3,548,778)	1,440,325,633 (virtual 712,935) (electronic 1,433,264,122)

E.SUN FINANCIAL HOLDING CO., LTD.**PROPOSED DISTRIBUTION OF EARNINGS**

As of 31 December 2021

Unit:: NT\$

Balance of beginning undistributed earnings		9,456,141
After-tax net profit of this period	20,558,987,551	
Retained earnings from confirmed benefit plan re-assessment number	234,662	
Retained earnings from the adjusted investments due to employing the equity method	574,301,701	
The total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period		21,133,523,914
Ten percent (10%) to be recorded as legal reserve		(2,113,352,391)
Allocation for special reserve		(1,074,086,457)
Distributable earnings for the period		17,955,541,207
Distribution items:		
Stock dividend (circa NT\$0.67 per share)	(9,000,000,000)	
Cash dividend (NT\$0.67 per share)	(8,947,582,000)	
Total shareholders' bonuses		(17,947,582,000)
Profit undistributed as of the end of the period		7,959,207

Note: Dividend distribution shall be based on after-tax earnings for the year as a first priority.

IV. Matters for discussion

Proposal No. 1 as proposed by the Board of Directors:

Proposal: Amendment to Article of Incorporation

Explanation:

1. The key points of the amendments are as follows:
 - (1) Increase the approved capital to meet the company's business needs and capital planning. (Articles 5)
 - (2) To allow for greater flexibility in convening shareholders' meetings, the article is added in accordance with Paragraph 1, Article 172-2 of the Company Act to stipulate that the Company may hold shareholders' meetings virtually or by other means promulgated by the central competent authority.(Article 12-1)
 - (3) Regarding the functions and powers of the Audit Committee, the Company has formulated the "E.SUN Financial Holding Company Bylaws of Audit Committee" for compliance, so it is planned not to list the relevant provisions. (Article 29)
 - (4) To better reflect operational reality, better-rounded wording is added on establishment of functional committees and matters that warrant compliance. (Article 30)
 - (5) Revise the text to make the dividend policy specific and clear base on the actual dividend situation and future operational development needs. (Article 36-1)
2. A comparison chart on amendments to the Company's Articles of Incorporation can be found below (please refer to Appendix 4 on p.91~p.99 of this Handbook for the current version).

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,229,079,653 (virtual 158,183) (electronic 6,233,289,092)	80.74%	198,518,220 (virtual 0) (electronic 197,886,983)	1,526,227,701 (virtual 712,935) (electronic 1,519,166,190)

Comparison Chart :
Amendment of Articles of Incorporation of E.SUN FHC

After amended	Before amended	Explanation
<p>Article 5 The total capital amount of the Company shall be <u>Two Hundred Billion New Taiwan Dollars (NT\$200,000,000,000)</u>, divided into <u>Twenty Billion (20,000,000,000)</u> shares at a par value of Ten New Taiwan Dollars (NT\$10) per share. The board of directors is authorized to issue such shares in installments. Within the total amount of shares given above, the Company may conduct buybacks and issue share subscription warrants and restricted stock for employees, with the Board of Directors authorized to resolve on doing so in installments. The intended recipients shall include employees of affiliate companies who meet certain criteria.</p>	<p>Article 5 The total capital amount of the Company shall be <u>One Hundred and Fifty Billion New Taiwan Dollars (NT\$150,000,000,000)</u>, divided into <u>Fifteen Billion (15,000,000,000)</u> shares at a par value of Ten New Taiwan Dollars (NT\$10) per share. The board of directors is authorized to issue such shares in installments. Within the total amount of shares given above, the Company may conduct buybacks and issue share subscription warrants and restricted stock for employees, with the Board of Directors authorized to resolve on doing so in installments. The intended recipients shall include employees of affiliate companies who meet certain criteria.</p>	<p>Increase the approved capital to meet the company's business needs and capital planning.</p>
<p>Article 12-1 The company may hold the shareholder's meeting by video conference or other methods announced by the Ministry of Economic Affairs, R.O.C.</p>	<p>(this article is added)</p>	<p>In response to the digital age, the Company provides a channel for shareholders to easily participate in shareholders' meetings. Therefore, this article is added that the Company's shareholders' meeting may adopt a video conference or other methods announced by the central competent authority according to Article 172-2, Paragraph 1 of the Company Act.</p>
<p>Chapter Six <u>AUDIT COMMITTEE AND FUNCTIONAL COMMITTEE</u></p>	<p>Chapter Six AUDIT COMMITTEE</p>	<p>In addition to the audit committee, the company's board of directors also sets up other functional committees according to their jobs and functions. Therefore, the title of this chapter is revised.</p>

After amended	Before amended	Explanation
(This article is deleted)	<p><u>Article 29</u> The audit committee shall have the following authority:</p> <ol style="list-style-type: none"> 1. <u>Adoption or amendment of an internal control system pursuant to Article 14-1 of Securities and Exchange Act.</u> 2. <u>Assessment of the effectiveness of the internal control system.</u> 3. <u>Adoption or amendment, pursuant to Article 36-1 of Securities and Exchange Act, of handling procedures for acquisition or disposal of assets, and handling derivatives trading transactions.</u> 4. <u>A matter bearing on the personal interest of a director.</u> 5. <u>A material asset or derivatives transaction.</u> 6. <u>The offering, issuance, or private placement of any equity-type securities.</u> 7. <u>The hiring or dismissal of an attesting CPA, or the compensation given thereto.</u> 8. <u>The appointment or discharge of a financial, accounting, or internal auditing officer.</u> 9. <u>Annual and semi-annual financial reports.</u> 10. <u>Any other material matter so required by the Company or the competent authorities.</u> 	Regarding the functions and powers of the Audit Committee, the Company has formulated the "E.SUN Financial Holding Company Bylaws of Audit Committee" for compliance, so it is planned not to list the relevant provisions.
<p><u>Article 29</u> The exercise of the powers and duties and other compliance matters of the audit committee shall be handled in accordance with the relevant laws and regulations or the regulations of the Company.</p>	<p><u>Article 30</u> The exercise of the powers and duties and other compliance matters of the audit committee shall be handled in accordance with the relevant laws and regulations or the regulations of the Company.</p>	This article is moved from the current version of Article 30, and the content has not been amended.
<p><u>Article 30</u> The Company may set up other functional committees under the Board of Directors, with the numbers of members and their tenures and duties and powers to be spelled out in their respective organizational regulations.</p>	<p><u>Article 30</u></p>	In line with the revision of this chapter's title, the setting of functional committees and the relevant matters to be followed are updated.

After amended	Before amended	Explanation
<p>Article 36-1 <u>The company adopts a residual dividend policy to continuously strengthen the financial structure and improve profitability while maintaining adequate self-owned capital. It distributes stock dividends to retain the required funds, and the remaining surplus is distributed in cash dividends.</u> If the final accounting shows profit, after having paid all taxes and duties, the losses accumulated in the preceding years shall be first covered before the remaining amount is appropriated as legal reserve and special reserve in accordance with the law. If necessary, a special reserve may also be appropriated. The distribution of remaining profits together with the reversal of special reserve as well as the retained earnings accumulated from previous years shall then be proposed by the board of directors and submitted for resolution at shareholders' meetings. <u>The Company may decide the most appropriate dividend policy and distribute cash dividends and/or stock dividends according to its operating strategy and future capital planning.</u> <u>Cash dividends shall not be less than 10% of the total dividends. However, in the event the proposed distribution of cash dividend is lower than NT\$0.1 per share, the Company may, at its sole discretion, opt to make such distribution in the form of stock dividends.</u> The distribution of dividends shall be conducted based on the shareholdings of shareholders as recorded in the shareholders register on the dividend distribution baseline date.</p>	<p>Article 36-1 <u>If the final accounting of the Company shows profit, after having paid all taxes and duties, the losses accumulated in the preceding years shall be first covered before the remaining amount is appropriated as legal reserve and special reserve in accordance with the law. If necessary, a special reserve may also be appropriated. The distribution of remaining profits together with the reversal of special reserve as well as the retained earnings accumulated from previous years shall then be proposed by the board of directors and submitted for resolution at shareholders' meetings.</u> <u>In order to achieve the goal of sound financial structure and to increase the ratio of self-owned capital, the dividend distribution policy of the Company shall be formulated primarily on the basis of stock dividend. In the event that the BIS ratio of the Company at the time final dividends are proposed to be distributed after compilation of final financial statements is greater than that required by the competent authority, a portion of no less than 10% of total dividends may be distributed as cash dividend. However, in the event the proposed distribution of cash dividend is lower than NT\$0.1 per share, the Company may, at its sole discretion, opt to make such distribution in the form of stock dividends.</u> The distribution of dividends shall be conducted based on the shareholdings of shareholders as recorded in the shareholders register on the dividend distribution baseline date.</p>	<p>Revise the text to make the dividend policy specific and clear base on the actual dividend situation and future operational development needs.</p>

After amended	Before amended	Explanation
<p>Article 40 These Articles are established on December 10, 2001. The first amendment was made in the shareholders' meeting of June 26, 2002 The second amendment was made in the shareholders' meeting of June 11, 2004. The third amendment was made in the shareholders' meeting of June 10, 2005. The fourth amendment was made in the shareholders' meeting of June 9, 2006. The fifth amendment was made in the shareholders' meeting of June 13, 2008. The sixth amendment was made in the shareholders' meeting of June 22, 2012. The seventh amendment was made in the shareholders' meeting of June 21, 2013. The eighth amendment was made in the shareholders' meeting of June 20, 2014. The ninth amendment was made in the shareholders' meeting of June 8, 2016. The tenth amendment was made in the shareholders' meeting of June 16, 2017. The eleventh amendment was made in the shareholders' meeting of June 14, 2019. The eleventh amendment was made in the shareholders' meeting of June 14, 2019. <u>The twelfth amendment was made in the shareholders' meeting of June 17, 2022.</u></p>	<p>Article 40 These Articles are established on December 10, 2001. The first amendment was made in the shareholders' meeting of June 26, 2002 The second amendment was made in the shareholders' meeting of June 11, 2004. The third amendment was made in the shareholders' meeting of June 10, 2005. The fourth amendment was made in the shareholders' meeting of June 9, 2006. The fifth amendment was made in the shareholders' meeting of June 13, 2008. The sixth amendment was made in the shareholders' meeting of June 22, 2012. The seventh amendment was made in the shareholders' meeting of June 21, 2013. The eighth amendment was made in the shareholders' meeting of June 20, 2014. The ninth amendment was made in the shareholders' meeting of June 8, 2016. The tenth amendment was made in the shareholders' meeting of June 16, 2017. The eleventh amendment was made in the shareholders' meeting of June 14, 2019. The eleventh amendment was made in the shareholders' meeting of June 14, 2019.</p>	<p>Fill in the amendment date</p>

Proposal No. 2 as proposed by the Board of Directors:

Proposal: For the purpose of increasing the BIS ratio of the Company in consideration of the Company's long-term development and operation, it is proposed to implement a capital increase by recapitalization of both earnings and employee compensation.

Explanation:

1. Amount of the capital increase and number of shares:

The Company currently has NT\$133,546,000,000 in paid-in capital from a total of 13,354,600,000 issued shares. It is proposed that 900,000,000 new shares be issued on the amount of NT\$9,000,000,000 which is the profit distributable to shareholders as dividend; while employee compensation of NT\$615,864,906 included cash and stock remuneration, where, in accordance with Financial Supervisory Commission regulations Jin-Guan-Zheng-Shen-Zi No. 1050001900 of January 30, 2016, calculation of the foregoing stock compensation shall be made on the basis of the closing price NT\$29.90 per share one day prior to the day on when the Board resolution is made. A total of 20,500,000 new shares were issued. The foregoing recapitalized earnings totaled NT\$9,205,000,000 and 920,500,000 shares with a face value of NT\$10 per share were issued. After recapitalization, the Company's paid-in capital increased to NT\$142,751,000,000, and 14,275,100,000 shares were issued.

2. Source of the fund proposed to be capitalized:

Shareholder stock bonuses and employee stock bonuses from fiscal year 2021 will be recapitalized.

3. Purpose of the fund from the capital increase:

The increased capital fund will be used to increase the BIS ratio of the Company in consideration of the Company's long-term development and operation and strengthened competitiveness of the Company.

4. Issuance of new shares:

It is proposed that the new shares be issued in full with a par value of TWD 10 per share. Holders of the new shares shall hold the same rights and bear the same obligations as the holders of the original issued shares.

5. 900,000,000 shares of the new shares to be issued on the capital increase proposed shall be distributed, with no consideration paid, to the shareholders as registered in the shareholder's roster at the rate circa 67 new shares on each 1,000 shares held in proportion to their shareholding. Fractions of a share may be combined for full shares with the fractions of shares held by other shareholders within the specified time period. Upon expiration of the specified time period or fractions of a share still remain, cash will be paid according to the par value (and rounded to the nearest full Taiwan Dollar) and the chairman of the Company would be authorized to look for specified persons to buy the fraction of shares according to the par value.
6. Stock Dividend Record Date:

After the proposal is adopted after deliberations and regulatory approval is granted, the Board of Directors and/or Chairman shall be authorized to decide on making it public.
7. As of now, the outstanding shares of the Company amount to 13,354,600,000 in total. It is proposed that the chairman of the Company would be authorized with full powers to deal with matters in connection with the change (if any) to the stock (cash) dividend ratio distributable to shareholders as a result of a change in the total outstanding shares of the Company arising from any reasons.

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

(The shareholder with A/C No. 452338 raised questions virtually regarding equity investment in insurance company for further cooperation and higher profitability. The Chairman appointed staff to replied to the shareholder online.)

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,462,616,921 (virtual 158,183) (electronic 6,466,826,360)	83.35%	6,682,570 (virtual 0) (electronic 6,051,333)	1,484,526,083 (virtual 712,935) (electronic 1,477,464,572)

Proposal No. 3 as proposed by the Board of Directors:

Proposal: Amendment to the Company's "Procedures for assets acquisition or disposal" .

Explanation:

1. This proposal is made pursuant to the revised Regulations Governing the Acquisition and Disposal of Assets by Public Companies promulgated by the Financial Supervisory Commission on January 28, 2022.
2. The key points of the amendments are as follows:
 - (1) Enhance the quality of opinion statements presented by external experts. (Article 4~6 and Article 8)
 - (2) Bolster management of transactions with related parties: In tandem with conventions of major international capital markets, a new provision is added to stipulate that when the Company or a subsidiary not being a domestic public company engages in any acquisition or disposal of assets from or to a related party, the Company shall first present relevant information to its shareholders' meeting and secure approval thereof if the transaction amount reaches 10% or more of the Company's total assets. Transactions between the Company and a subsidiary or between its subsidiaries, however, shall be exempt from the need to undergo a shareholders' meeting and obtain approval thereof .(Article 12).
 - (3) Ease disclosure of information with regard to certain transactions. (Article 25).
3. A comparison chart on amendments to the Company's Procedures for assets acquisition or disposal can be found below (please refer to Appendix 5 on p.100~p.116 of this Handbook for the full amended version).

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,465,139,363 (virtual 158,183) (electronic 6,469,348,802)	83.37%	4,191,506 (virtual 0) (electronic 3,566,371)	1,484,494,705 (virtual 712,935) (electronic 1,477,427,092)

Comparison Chart :

Amendment of the Procedures for assets acquisition or disposal of E.SUN FHC

After amended	Before amended	Explanations
<p>Article 4</p> <p>In acquiring or disposing of real property, equipment or their right of use assets, where the transaction amount reaches 20 percent of the company's paid in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, acquiring or disposing of equipment for business use, or their right of use assets, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. If, for any reason, the company needs to use restrictive, specific or special pricing to serve as reference for the transaction price, then the transaction must be resolved by the board of directors before proceeding. Likewise in the case of any changes to the terms of the transaction are made subsequently. 2. Where the transaction amount is NT\$1billion or more, appraisals from two or more professional appraisers shall be obtained. 3. If a valuation conducted by a professional <u>appraiser</u> exhibits any of the following, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price, except in situations where the valued price is higher than the acquisition price or lower than the selling price: <ol style="list-style-type: none"> (1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the 	<p>Article 4</p> <p>In acquiring or disposing of real property, equipment or their right of use assets, where the transaction amount reaches 20 percent of the company's paid in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, acquiring or disposing of equipment for business use, or their right of use assets, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. If, for any reason, the company needs to use restrictive, specific or special pricing to serve as reference for the transaction price, then the transaction must be resolved by the board of directors before proceeding. Likewise in the case of any changes to the terms of the transaction are made subsequently. 2. Where the transaction amount is NT\$1billion or more, appraisals from two or more professional appraisers shall be obtained. 3. If a valuation conducted by a professional <u>value</u> exhibits any of the following, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price <u>in accordance with Statement on Auditing Standards No. 20, published by the Accounting Research and Development Foundation of the Republic of China (ARDF)</u>, except in situations where the valued price is higher than the acquisition price or lower than the selling price: <ol style="list-style-type: none"> (1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction 	<p>I. Article 8 has been amended to include the text demanding that external experts rendering their opinions comply with the self-regulatory rules of their respective industry, which already cover the procedures that a CPA must follow when rendering an opinion. As such, the Company deleted the text in Subparagraph 3 of Paragraph 1 demanding that a CPA render an opinion in accordance with the Statement on Auditing Standards No. 20, published by the Accounting Research and Development Foundation of the Republic of China (ARDF).</p>

After amended	Before amended	Explanations
<p>transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided that where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may be issued by the original professional appraiser.</p> <p>In the event that the appraisal results are obtained from two or more professional appraisers in pursuant to <u>Subparagraph 2</u> of the preceding paragraph, the different professional appraisers or appraisal officers may not be a related party or substantively related party of each other.</p>	<p>amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided that where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may be issued by the original professional appraiser.</p> <p>In the event that the appraisal results are obtained from two or more professional appraisers in pursuant to <u>the second provision in</u> the preceding paragraph, the different professional appraisers or appraisal <u>personnel</u> may not be a related party.</p>	
<p>Article 5</p> <p>In case of acquisition or disposal of securities, the Company shall, prior to the date of occurrence of the event, obtain the financial statements of the issuing company for the most recent period which have been certified or reviewed by a certified public accountant. Such financial statements shall be used as a reference for appraising the transaction price. If the transaction amount has reached 20% of the company's paid-in capital or NT\$300 million, the Company shall, prior to the date of occurrence of the event, additionally engage a CPA to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to securities with publicly quoted prices from an active market, or if it has been otherwise provided by the regulations of the Financial Supervisory Commission (FSC).</p>	<p>Article 5</p> <p>In case of acquisition or disposal of securities, the Company shall, prior to the date of occurrence of the event, obtain the financial statements of the issuing company for the most recent period which have been certified or reviewed by a certified public accountant. Such financial statements shall be used as a reference for appraising the transaction price. If the transaction amount has reached 20% of the company's paid-in capital or NT\$300 million, the Company shall, prior to the date of occurrence of the event, additionally engage a CPA to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA requires the evidence of an expert report, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to securities with publicly quoted prices from an active market, or if it has been otherwise provided by the regulations of the Financial Supervisory Commission (FSC).</p>	<p>The reason for amendment is the same as that for the amendment to Article 4.</p>

After amended	Before amended	Explanations
<p>Article 6</p> <p>If the dollar amount of intangible assets or their right-of-use assets or memberships to be acquired or disposed of by the Company is 20% or more of the Company's paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price.</p>	<p>Article 6</p> <p>If the dollar amount of intangible assets or their right-of-use assets or memberships to be acquired or disposed of by the Company is 20% or more of the Company's paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price; <u>the certified public accountant shall comply with the provisions of the Statement of Auditing Standards No. 20 published by the ARDF of the ROC.</u></p>	<p>The reason for amendment is the same as that for the amendment to Article 4.</p>
<p>Article 8</p> <p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions must comply with the following regulations:</p> <ol style="list-style-type: none"> 1. Have not violated this Act, the Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Accounting Act, or committed any instances of fraud, breach of good faith, embezzlement, forgery of documents, or other business related criminal behavior, and received a confirmed sentence of more than one year of imprisonment. However, this condition shall not apply after three years have passed following the completion of the sentence, probation, or pardon. 2. Are prohibited related parties or substantively related parties with the parties to the transaction. 3. If the company should obtain appraisal reports from two or more appraisers, and the different estimators or estimation personnel may not be mutually related parties or substantively related parties. 	<p>Article 8</p> <p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions must comply with the following regulations:</p> <ol style="list-style-type: none"> 1. Have not violated this Act, the Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Accounting Act, or committed any instances of fraud, breach of good faith, embezzlement, forgery of documents, or other business related criminal behavior, and received a confirmed sentence of more than one year of imprisonment. However, this condition shall not apply after three years have passed following the completion of the sentence, probation, or pardon. 2. Are prohibited related parties or substantively related parties with the parties to the transaction. 3. If the company should obtain appraisal reports from two or more appraisers, and the different estimators or estimation personnel may not be mutually related parties or substantively related parties. 	<p>I. The various industry associations of external experts have established regulations for their own job duties. For instance, the self-regulatory rules have been established to govern real property appraisers rendering their appraisal report, and the associations of other external experts have all followed TWSE's "Practical Guidance for Experts Rendering Their Opinions" to establish their respective self-regulatory rules that specify the procedures and responsibilities that external experts must take when performing their duties. As such, the Company amended the introductory text of Paragraph 2 to require that the professional appraisers or appraisal officers, CPAs,</p>

After amended	Before amended	Explanations
<p>If the foregoing personnel have provided an <u>appraisal</u> report or opinion, they must handle the case <u>according to the self-regulatory rules established by their respective industry associations and the following</u>:</p> <ol style="list-style-type: none"> 1. Before accepting the case, they must thoroughly assess their own abilities, practical experience, and independence. 2. When <u>executing</u> a case, they must appropriately plan and implement suitable operating procedures, and must form conclusions and submit a report or opinion; all implemented procedures, collected data, and conclusions must be stated in detail in the case working papers. 3. An item-by-item <u>review</u> of the <u>suitability</u> and reasonableness of the data sources, parameters, and information used <u>shall be conducted</u> to provide a basis for the submitted <u>appraisal</u> report or opinion. 4. Stated matters should include the professional qualifications and independence of relevant personnel, a statement that the information used was <u>suitable</u> and reasonable, and a statement of compliance with relevant laws. 	<p>If the foregoing personnel have provided an <u>entertainment</u> report or opinion, they must handle the <u>case as follows</u>:</p> <ol style="list-style-type: none"> 1. Before accepting the case, they must thoroughly assess their own abilities, practical experience, and independence. 2. When <u>taking</u> an <u>audit</u> case, they must appropriately plan and implement suitable operating procedures, and must form conclusions and submit a report or opinion; all implemented procedures, collected data, and conclusions must be stated in detail in the case working papers. 3. An item-by-item <u>account</u> of the <u>completeness</u>, <u>correctness</u>, and reasonableness of the data sources, parameters, and information used, to provide a basis for the submitted <u>estimation</u> report or opinion. 4. Stated matters should include the professional qualifications and independence of relevant personnel, a statement that the information used was reasonable and <u>correct</u>, and a statement of compliance with relevant laws. 	<p>attorneys, or securities underwriters who render an appraisal report or an opinion comply with the self-regulatory rules established by their respective industry associations, in addition to matters already prescribed in Paragraph 2.</p> <p>II. Considering that external experts undertaking or executing a case involving provision of an appraisal report or an opinion on reasonableness in accordance with these Procedures perform their work differently from the work of auditing financial statements, the Company amended the text in Subparagraph 2, Paragraph 2 and changed the text of “taking an audit case” to “executing a case” .</p> <p>III. Considering the prevailing practice taken by external experts to evaluate the data sources, parameters, and information, the Company, by consulting Item 3-5, Subparagraph 4, Paragraph 4, Article 9 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the official interpretation letter of the Accounting Research</p>

After amended	Before amended	Explanations
		<p>and Development Foundation of the Republic of China (ARDF) coded ARDF-0000000298 and dated December 25, 2014, and the text in Article 27 of Statement of Appraisal Standards No. 8 that pertains to the suitability and reasonableness of data sources and parameters, amended the text in Subparagraph 3 and Subparagraph 4 of Paragraph 2, so as to align these Procedures with the prevailing practices.</p>
<p>Article 12 When this company acquires or disposes of real estate or its right-of-use assets from or to a related party, or acquires or disposes of assets other than real estate or its right-of-use assets from or to a related party, and the transaction amount exceeds 20% of the company's paid-in capital, 10% of the company's total assets, or NT\$300 million, except when purchasing domestic government bonds, bonds with repurchase (reverse repurchase) agreements, subscription or buy back of currency market funds issued by domestic securities investment trust enterprises, or otherwise specified by law, this company must submit the following information to the Audit Committee, and obtain its approval, and may sign a transaction contract and make the payment only after the transaction has been approved by a board resolution:</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and expected benefits for acquiring or disposing of the asset. 2. The reasons for transacting with the particular related party. 3. Where real estate is acquired from a 	<p>Article 12 When this company acquires or disposes of real estate or its right-of-use assets from or to a related party, or acquires or disposes of assets other than real estate or its right-of-use assets from or to a related party, and the transaction amount exceeds 20% of the company's paid-in capital, 10% of the company's total assets, or NT\$300 million, except when purchasing domestic government bonds, bonds with repurchase (reverse repurchase) agreements, subscription or buy back of currency market funds issued by domestic securities investment trust enterprises, or otherwise specified by law, this company must submit the following information to the Audit Committee, and obtain its approval, and may sign a transaction contract and make the payment only after the transaction has been approved by a board resolution:</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and expected benefits for acquiring or disposing of the asset. 2. The reasons for transacting with the particular related party. 3. Where real estate is acquired from a 	<p>I. Moved Paragraph 2 of the original article to Paragraph 4 of the amended article; added in accordance with Paragraph 3 the requirement that the calculation of transaction amounts include the transactions that require the approval of a shareholders' meeting.</p> <p>II. Added Paragraph 3: (I) To enhance related party management and ensure the right of minority shareholders of a public company to express their opinions on related-party transactions, the Company has referenced the regulations of primary international capital</p>

After amended	Before amended	Explanations
<p>related party, any information that is relevant to establish the reasonableness of transaction terms under Articles 13 and 14.</p> <p>4. The date and price at which the related party originally acquired the asset, the original trading counterparty, as well as the relationship between the original trading counterparty and the Company/the Company's related parties.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. Professional value's report or CPA's opinion obtained according to the previous Article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>When this company engages in any of the following transactions with a subsidiary, or subsidiaries in which this company holds 100% of all issued equity or total capital engage in the following transactions among themselves, the board may in accordance with Article 9 authorize the chairman to initially approve all such transactions within a certain amount, and subsequently submit the case to the next board meeting for retroactive acknowledgement:</p> <p>1. Acquisition or disposition of equipment for operating use or its right-of-use assets.</p> <p>2. Acquisition or disposition of right-of-use assets connected with real estate for operating use.</p> <p><u>Where the Company or its subsidiary that is not a domestically listed company engages in any transaction listed in Paragraph 1 and the transaction amount reaches 10 percent of the Company's total assets, the information listed in Paragraph 1 shall be submitted to the shareholders' meeting for approval;</u></p>	<p>related party, any information that is relevant to establish the reasonableness of transaction terms under Articles 13 and 14.</p> <p>4. The date and price at which the related party originally acquired the asset, the original trading counterparty, as well as the relationship between the original trading counterparty and the Company/the Company's related parties.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. Professional value's report or CPA's opinion obtained according to the previous Article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be conducted in accordance with Article 25, paragraph 2 herein. In the meantime, "within one year" as used herein refers to the year proceeding to the date of occurrence of the current transaction. Amounts that have already been approved by the Audit committee and resolved by the Board of Directors may be excluded from calculation.</u></p> <p>When this company engages in any of the following transactions with a subsidiary, or subsidiaries in which this company holds 100% of all issued equity or total capital engage in the following transactions among themselves, the board may in accordance with Article 9 authorize the chairman to initially approve all such transactions within a certain amount, and subsequently submit the case to the next board meeting for retroactive acknowledgement:</p> <p>1. Acquisition or disposition of equipment for operating use or its</p>	<p>markets such as Singapore and Hong Kong that require that significant related party transaction be approved by a shareholders' meeting in advance. In addition, to prevent a public company from conducting significant related party transactions through an unlisted subsidiary to, for instance, circumvent the regulations that relevant materials must be submitted to and approved by the shareholders' meeting, the Company specified in these Procedures that (a) where a public company and its subsidiary that is not a domestically listed entity engages in any transaction listed in Paragraph 1 for the acquisition or disposal of assets by a related party, and the transaction amount reaches 10 percent of the total assets of the public company, the public company shall submit relevant documents to the shareholders' meeting for approval before proceeding with the transaction; and (b) where an unlisted</p>

After amended	Before amended	Explanations
<p><u>only after such information has been approved by the shareholders' meeting may the contract be signed or payment be made. However, this does not apply to the transaction between the Company and its parent or subsidiary, or among subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in Paragraph 1 and the preceding paragraph shall be conducted in accordance with Article 25, Paragraph 2 herein. In the meantime, "within one year" as used herein refers to the year proceeding to the date of occurrence of the current transaction. Amounts that have already been approved by the Audit committee and resolved by a shareholders' meeting and the Board of Directors may be excluded from calculation.</u></p>	<p>right-of-use assets.</p> <p>2. Acquisition or disposition of right-of-use assets connected with real estate for operating use.</p>	<p>subsidiary is required to submit proposals to the shareholders' meeting, the subsidiary's publicly-listed parent company shall do so on behalf of the subsidiary.</p> <p>(II) Considering the needs for transactions between a public company and its parent or subsidiary, or among subsidiaries for the purpose of overall business planning, and by referring to the exemption regulations in the primary capital markets as mentioned above, the Company relaxed the proviso to exempt such transactions from having to be approved by a shareholders' meeting.</p> <p>(III) In addition, where the significant related party transaction is one of the circumstances stipulated in Subparagraph 1 through Subparagraph 3, Paragraph 1, Article 185 of the Company Act, the approval of a shareholders' meeting shall be by a special resolution</p>

After amended	Before amended	Explanations
		as specified in Article 185 of the Company Act, and shall proceed pursuant to the matters stated before and relevant regulations of the Company Act.
<p>Article 25</p> <p>Under any of the following circumstances, the Company shall, within 2 days from the date of occurrence of the event, publicly announce and report the relevant information about the acquisition or disposal of assets on the designated website of the Financial Supervisory Commission using the specified format:</p> <ol style="list-style-type: none"> 1. When acquiring or disposing of real estate or its right-of-use assets from or to a related party, or acquiring or disposing of assets other than real estate or its right-of-use assets from or to a related party, and the transaction amount exceeds 20% of the company's paid-in capital, 10% of the company's total assets, or NT\$300 million. However, the purchase of domestic government bonds, bonds with repurchase (reverse repurchase) agreements, or the subscription or buy back of currency market funds issued by domestic securities investment trust enterprises law shall not be subject to this restriction. 2. Mergers, divestments, business acquisitions, or share exchanges. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the provisions herein. 4. Acquisition or disposal of operating equipment or its right-of-use assets with non-related parties that amounts to more than NT\$1 billion. 5. Where land is acquired under an arrangement engaging others to build on the company's own land, engaging others to build on rented 	<p>Article 25</p> <p>Under any of the following circumstances, the Company shall, within 2 days from the date of occurrence of the event, publicly announce and report the relevant information about the acquisition or disposal of assets on the designated website of the Financial Supervisory Commission using the specified format:</p> <ol style="list-style-type: none"> 1. When acquiring or disposing of real estate or its right-of-use assets from or to a related party, or acquiring or disposing of assets other than real estate or its right-of-use assets from or to a related party, and the transaction amount exceeds 20% of the company's paid-in capital, 10% of the company's total assets, or NT\$300 million. However, the purchase of domestic government bonds, bonds with repurchase (reverse repurchase) agreements, or the subscription or buy back of currency market funds issued by domestic securities investment trust enterprises law shall not be subject to this restriction. 2. Mergers, divestments, business acquisitions, or share exchanges. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the provisions herein. 4. Acquisition or disposal of operating equipment or its right-of-use assets with non-related parties that amounts to more than NT\$1 billion. 5. Where land is acquired under an arrangement engaging others to build on the company's own land, engaging others to build on rented 	<p>I. Considering that public companies have been exempted from announcing their trading of domestic government bonds, the Company amended Item 1, Subparagraph 6, Paragraph 1 of these Procedures to exempt the Company from announcing its trading of foreign government bonds of which the sovereign rating is not lower than the sovereign rate of the ROC.</p> <p>II. Foreign government bonds are simple by nature and usually have a rating better than that of an ordinary foreign company. In addition, exchange traded notes and exchange traded funds are similar products by nature. Considering this, the Company amended Item 2, Subparagraph 6, Paragraph 1 to exempt professional investment enterprises from announcing their subscription to domestic or foreign government bonds and subscription to or resale of exchange-traded notes.</p>

After amended	Before amended	Explanations
<p>land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, where the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction is more than NT\$500 million.</p> <p>6. Asset transactions other than the ones specified in the five preceding clauses, disposals of debt entitlement by a financial institution, or investments in Mainland China that amount to 20% of the company's paid-up capital or more than NT\$300 million. This shall not apply to the following circumstances:</p> <p>(1) <u>Trading of domestic government bonds, or a foreign government bond with a sovereign rating not lower than the sovereign rating of the ROC.</u></p> <p>(2) When purchasing or selling securities on the stock exchange or at a securities dealer's place of business, or subscribing to <u>foreign government bonds, ordinary corporate bonds or ordinary financial bonds (not including junior bonds) issued on the primary market for fund-raising purposes, or subscribing to or buying back securities investment trust enterprise funds or future trust funds, or subscription to or buying back of exchange-traded notes,</u> or when a securities dealer subscribes to securities in accordance with <u>Taipei Exchange</u> regulations due to its underwriting services or because it is the recommended securities dealer assisting an OTC-listed company.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of domestic money</p>	<p>land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, where the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction is more than NT\$500 million.</p> <p>6. Asset transactions other than the ones specified in the five preceding clauses, disposals of debt entitlement by a financial institution, or investments in Mainland China that amount to 20% of the company's paid-up capital or more than NT\$300 million. This shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds.</p> <p>(2) When purchasing or selling securities on the stock exchange or at a securities dealer's place of business, or subscribing to ordinary corporate bonds or ordinary financial bonds (not including junior bonds) issued on the primary market for fund-raising purposes, or subscribing to or buying back securities investment trust enterprise funds or future trust funds, or when a securities dealer subscribes to securities in accordance with <u>GreTai Securities Market</u> regulations due to its underwriting services or because it is the recommended securities dealer assisting an OTC-listed company.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds that are issued by securities investment trust companies.</p> <p>The amount of transactions above shall be calculated as follows:</p>	

After amended	Before amended	Explanations
<p>market funds that are issued by securities investment trust companies.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> The amount of any individual transaction. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. The cumulative transaction amount of real estate or its right-of-use assets acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>The Company shall, in accordance with requirements, compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by Company and its subsidiaries <u>that are not publicly-listed companies in Taiwan</u> and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by the regulations to be publicly announced and is required to correct it, all the items shall be again publicly announced and reported in their entirety within 2 days commencing immediately from the date on which the error or omission is known. After the Company publicly announces</p>	<ol style="list-style-type: none"> The amount of any individual transaction. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. The cumulative transaction amount of real estate or its right-of-use assets acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>The Company shall, in accordance with requirements, compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by Company and its subsidiaries and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by the regulations to be publicly announced and is required to correct it, all the items shall be again publicly announced and reported in their entirety within 2 days commencing immediately from the date on which the error or omission is known. After the Company publicly announces its investment in Mainland China in compliance with Subparagraph 4, Paragraph 1 herein, should the competent authority approves of such investment announcement, the Company shall disclose the date of the original</p>	

After amended	Before amended	Explanations
<p>its investment in Mainland China in compliance with Subparagraph 4, Paragraph 1 herein, should the competent authority approves of such investment announcement, the Company shall disclose the date of the original public announcement, the name of the investee company in China, the estimated investment amount, trading counterparty, and the date of approval by the competent authority.</p> <p>When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and opinions of the certified public accountant, attorney and securities underwriter at the Company headquarters, where they shall be retained for five years, except where another act provides otherwise.</p>	<p>public announcement, the name of the investee company in China, the estimated investment amount, trading counterparty, and the date of approval by the competent authority.</p> <p>When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and opinions of the certified public accountant, attorney and securities underwriter at the Company headquarters, where they shall be retained for five years, except where another act provides otherwise.</p>	
<p>Article 33</p> <p>These Procedures were established on March 23, 2003 in the 7th session of the 1st meeting of the board of directors.</p> <p>The 1st amendment was made on May 15, 2003 in the 8th session of the 1st meeting of the board of directors.</p> <p>The 2nd amendment was made on February 14, 2007 in the 13th session of the 2nd meeting of the board of directors.</p> <p>The 3rd amendment was made on March 3, 2008 in the 17th session of the 2nd meeting of the board of directors.</p> <p>The 4th amendment was made on March 16, 2012 in the 9th session of the 4th meeting of the board of directors.</p> <p>The 5th amendment was made on February 24, 2014 in the 22nd session of the 4th meeting of the board of directors.</p> <p>The 6th amendment was made on March 24, 2017 in the 22nd session of the 5th meeting of the board of directors.</p> <p>The 7th amendment was made on January 18, 2019 in the 13th session of the 6th meeting of the board of directors.</p> <p><u>The 8th amendment was made on March 11, 2022 in the 18th session of the 7th meeting of the board of directors.</u></p>	<p>Article 33</p> <p>These Procedures were established on March 23, 2003 in the 7th session of the 1st meeting of the board of directors.</p> <p>The 1st amendment was made on May 15, 2003 in the 8th session of the 1st meeting of the board of directors.</p> <p>The 2nd amendment was made on February 14, 2007 in the 13th session of the 2nd meeting of the board of directors.</p> <p>The 3rd amendment was made on March 3, 2008 in the 17th session of the 2nd meeting of the board of directors.</p> <p>The 4th amendment was made on March 16, 2012 in the 9th session of the 4th meeting of the board of directors.</p> <p>The 5th amendment was made on February 24, 2014 in the 22nd session of the 4th meeting of the board of directors.</p> <p>The 6th amendment was made on March 24, 2017 in the 22nd session of the 5th meeting of the board of directors.</p> <p>The 7th amendment was made on January 18, 2019 in the 13th session of the 6th meeting of the board of directors.</p>	<p>Filled in the dates on which these procedures were amended.</p>

Proposal No. 4 as proposed by the Board of Directors:

Proposal: Amendment to the Company's "Procedure for Engaging in Derivatives Trading".

Explanation:

1. The key points of the amendments are as follows:

A provision is added to stipulate that the Company shall announce and report an unrealized loss from derivatives pursuant to Article 4, Paragraph 1, Subparagraph 20, Item 2 of "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities" if such a loss reaches the threshold given therein (Article 22).

2. A comparison chart on amendments to the Company's "Procedure for Engaging in Derivatives Trading" can be found below (please refer to Appendix 6 on p.117~p.122 of this Handbook for the full amended version).

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,464,562,046 (virtual 78,183) (electronic 6,468,851,485)	83.37%	4,365,228 (virtual 80,000) (electronic 3,653,991)	1,484,898,300 (virtual 712,935) (electronic 1,477,836,789)

Comparison Chart :

Amendment of Articles of Procedure for Engaging in Derivatives Trading of E.SUN FHC

After amended	Before amended	Explanation
<p>Article 22 In the event that the Company incurs an aggregate loss in all derivatives contracts equivalent to 3.5% of its net worth given on the consolidated financial statements of the most recent quarter, the Company shall, based on the nature at point and using the prescribed format, make a public announcement and disclose related information on websites designated by the Financial Supervisory Commission within two days of the date of occurrence (inclusive). <u>The Company shall announce and report an unrealized loss from derivatives if such a loss reaches the threshold given in Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.</u></p>	<p>Article 22 In the event that the Company incurs an aggregate loss in all derivatives contracts equivalent to 3.5% of its net worth given on the consolidated financial statements of the most recent quarter, the Company shall, based on the nature at point and using the prescribed format, make a public announcement and disclose related information on websites designated by the Financial Supervisory Commission within two days of the date of occurrence (inclusive).</p>	<p>A provision is added in accordance with Article 4, Paragraph 1, Subparagraph 20, Item 2 of Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities to facilitate compliance.</p>

Proposal No. 5 as proposed by the Board of Directors:

Proposal: Amendment to the Rules for Procedure of Shareholders' Meeting.

Explanation:

1. As public companies are given the option of holding shareholders' meetings virtually under newly amended Article 172-2 of the Company Act, the Company is taking its lead from the amended "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" promulgated by Taiwan Stock Exchange Corp. in its Taiwan-Stock-Governance-1110004250 Announcement of March 8, 2022, to revise its Rules for Procedure of Shareholders' Meeting.
2. The key points of the amendment, which is meant mainly to prescribe regulations for virtual shareholders' meetings, are as follows:
 - (1) Adjust the timing for delivering the shareholders meeting agenda handbook and other supplementary materials electronically and offer extra means for shareholder perusal as dictated by the mode of meeting adopted (Article 3).
 - (2) Specify how the Company is to handle cases where shareholders intend to attend a shareholders' meeting virtually after they have appointed proxies and the Company has already received their powers of attorney (Article 5).
 - (3) Specify that the Company shall be exempt from venue restrictions when holding a virtual-only shareholders' meeting (Article 6).
 - (4) Specify timing and other requirements over shareholder registration for a virtual shareholders' meeting and timing for the Company to upload meeting materials to the virtual meeting platform (Article 7).
 - (5) Specify the key particulars to be included in the notice for a shareholders' meeting (Article 7-1).
 - (6) Specify requirements over recording the proceedings and materials of a virtual shareholders' meeting, including an uninterrupted audio and video recording thereof, as well as their upkeep (Article 9).
 - (7) Specify how numbers of shares are to be calculated for attendance at a virtual shareholders' meeting and how abortion of a meeting is to be announced. Specify that when the Company adopts a temporary resolution to convene a separate shareholders' meeting, shareholders need to register again if they intend to attend virtually (Article 10).

- (8) Make consistent the requirement over the number of times for shareholders to take the floor. Add wording over the means, procedures, and limits for shareholders attending a shareholders' meeting virtually to make proposals (Article 12).
 - (9) Specify the methods of voting and vote-counting at a virtual-only or hybrid shareholders' meeting. Add wording on the deadline for shareholders to deliver a written notice of cancelation if they want to attend a shareholders' meeting in person rather than virtually and specify that if shareholders have earlier registered to exercise voting rights by correspondence or electronically at a shareholder' meeting, they may attend this meeting virtually and only propose amendments to and vote on extraordinary motions unless they have withdrawn their declaration of intent (Article 14).
 - (10) Specify the deadline for shareholders to deliver a written notice of cancelation if they want to attend a shareholders' meeting in person or virtually rather than exercising voting rights electronically (Article 14-1).
 - (11) Specify the key particulars to be included in the minutes for a virtual shareholders' meeting (Article 16).
 - (12) Specify that the Company, when holding a virtual shareholders' meeting, shall disclose the total number of shares represented at the meeting on the virtual meeting platform (Article 17).
 - (13) Specify the minimum duration required for disclosure of voting and election results at a virtual shareholders' meeting (Article 20).
 - (14) Specify the location of the chair and secretary at a virtual shareholders' meeting (Article 21).
 - (15) Specify how the Company, when holding a virtual shareholders' meeting, is to offer connection test and related services, and how it will respond in the event of disconnection (Article 22).
 - (16) Specify that the Company, when convening a virtual shareholders' meeting, shall provide appropriate alternative measures to shareholders with difficulties in attending such a meeting (Article 23).
3. A comparison chart on the amendment to the Company's Rules for Procedure of Shareholders' Meeting can be found below (please refer to Appendix 7 on p.123~p.138 of this Handbook for the full amended version)

Resolution: This proposal is approved by vote as following. There are more than half of the shares represented by the shareholders present approving the proposal, as a result, chairman declared this proposal is approved by vote.

() voting by virtual and electronic voting method

Total shares represented by the shareholders present in person or by proxy	Approve		Opposing shares	Shares waiving voting right
	Shares	Proportion		
8,953,825,574 (virtual 871,118) (electronic 7,950,342,265)	7,270,294,111 (virtual 158,183) (electronic 6,274,503,550)	81.20%	157,360,827 (virtual 0) (electronic 156,735,692)	1,526,170,636 (virtual 712,935) (electronic 1,519,103,023)

Comparison Chart :

Amendment of the Rules for Procedure of Shareholders' Meeting of E.SUN FHC

After amended	Before amended	Explanation
<p>Article 3 (Convening shareholders meetings and shareholders meeting notices)</p> <p>The Company's shareholders' meetings shall, unless otherwise provided for in applicable laws and regulations, be convened by the Board of Directors. <u>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>The background and details of the notice to convene a Meeting of Shareholders, the proxy form, the proposals to be acknowledged or discussed, and the list of directors to be elected or dismissed, <u>shareholders meeting agenda and supplemental meeting materials</u> shall be prepared in electronic format and sent to the Market Observation Post System not later than 30 days prior to the scheduled meeting date for a general meeting and 15 days for an extraordinary meeting. The agenda and supplemental documents for an upcoming shareholders meeting shall be made readily available to shareholders and displayed at the company not later than 15 days prior to the scheduled meeting date. <u>This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p>I. <u>For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p>II. <u>For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p>III. <u>For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p>	<p>Article 3 (Convening shareholders meetings and shareholders meeting notices)</p> <p>The Company's shareholders' meetings shall, unless otherwise provided for in applicable laws and regulations, be convened by the Board of Directors. The background and details of the notice to convene a Meeting of Shareholders, the proxy form, the proposals to be acknowledged or discussed, and the list of directors to be elected or dismissed shall be prepared in electronic format <u>and sent to the Market Observation Post System not later than 30 days prior to the scheduled meeting date for a general meeting and 15 days for an extraordinary meeting.</u> The agenda and supplemental documents shall be prepared in electronic format and sent to the Market Observation Post System not later than 21 days prior to the scheduled meeting date for a general meeting and 15 days for an extraordinary meeting. The agenda and supplemental documents for an upcoming shareholders meeting shall be made readily available to shareholders and displayed at the company not later than 15 days prior to the scheduled meeting date. The same agenda and supplemental documents shall also be <u>distributed at the venue during the shareholders meeting.</u></p> <p>The following paragraphs are not specifically amended herein shall remain unchanged therefore left out.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings on 2022.03.08, the provisions of article 3 are amended as followings,</p> <p>1. Changes to the manners of this Corporation convenes its shareholders meeting shall be resolved by the board of directors.</p> <p>2. For the corporate paid-in capital and foreign shareholding ratio; therefore, shareholders meeting agenda and supplemental meeting materials will be prepared in electronic format and sent to the MOPS not later than 30 days prior to the scheduled meeting date.</p> <p>3. The meeting agenda and supplemental meeting materials are available to shareholders for review in the manners accord to the forms of the shareholders meeting on the date of the shareholders meeting.</p>

After amended	Before amended	Explanation
<p>The following paragraphs are not specifically amended herein shall remain unchanged therefore left out.</p>		
<p>Article 5 (Proxy attendance at the shareholders meeting and authorization)</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>Article 5 (Proxy attendance at the shareholders meeting and authorization)</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 4 are updated on the measurements for the shareholder wishes to attend the shareholders meeting online after a proxy form is delivered to the Corporation.</p>

After amended	Before amended	Explanation
<p>Article 6 (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u></p>	<p>Article 6 (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 5 are amended as following, the restrictions on the place of the meeting shall not apply when the Corporation convenes a virtual-only shareholders meeting.</p>
<p>Article 7 (Preparation of shareholders' meeting agenda handbook and attendance book, etc.)</p> <p>This Corporation shall state the time and venue of registration and other important information for shareholders, <u>solicitors and proxies (collectively "shareholders")</u> in a notice of shareholders meeting.</p> <p>The time of registration in the preceding paragraph shall start at least thirty minutes prior to the meeting. The venue of registration shall be clearly indicated and sufficiently staffed.</p> <p><u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>This corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The attendance book, sign-in cards, and proxy attendance letters of authorization must be preserved for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such documents shall be preserved until the conclusion of the suit.</p>	<p>Article 7 (Preparation of shareholders' meeting agenda handbook and attendance book, etc.)</p> <p>This Corporation shall state the time and venue of registration and other important information for shareholders in a notice of shareholders meeting.</p> <p>The time of registration in the preceding paragraph shall start at least thirty minutes prior to the meeting. The venue of registration shall be clearly indicated and sufficiently staffed.</p> <p>This Corporation shall furnish the attending <u>shareholders and their proxies (collectively, "shareholders")</u> with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>The attendance book, sign-in cards, and proxy attendance letters of authorization must be preserved for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such documents shall be preserved until the conclusion of the suit.</p> <p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 6 are updated on the register time and related process for the shareholders attending virtual shareholders meetings; the time for this corporation to upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform.</p>

After amended	Before amended	Explanation
<p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>	<p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	
<p><u>Article 7-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)</u></p> <p><u>To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:</u></p> <p><u>How shareholders attend the virtual</u></p>	<p>(Newly added)</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08 and regarding the shareholders to understand the related rights and restrictions for</p>

After amended	Before amended	Explanation
<p>meeting and exercise their rights.</p> <p><u>Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p>I. <u>To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p>II. <u>Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p>III. <u>In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p>IV. <u>Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>		<p>attending the shareholders meeting, the provisions of article 6-1 are updated on the particulars to be included in shareholders meeting notice.</p>

After amended	Before amended	Explanation
<p>Article 9 (Documentation of a shareholders meeting by audio or video)</p> <p>The company, starting at the time of registration, shall make a video or audio recording of the entire shareholders meeting in a continuous uninterrupted manner and including the registration process, the meeting, and the voting process.</p> <p>The aforesaid recordings shall preserve for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such recordings shall be preserved until the conclusion of the suit.</p> <p><u>Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>Article 9 (Documentation of a shareholders meeting by audio or video)</p> <p>The company, starting at the time of registration, shall make a video or audio recording of the entire shareholders meeting in a continuous uninterrupted manner and including the registration process, the meeting, and the voting process.</p> <p>The aforesaid recordings shall preserve for at least one year. However, when shareholders initiate a suit in accordance with Article 189 of the Company Act, such recordings shall be preserved until the conclusion of the suit.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08 and to ensure continuously audio and video record without interruption through the proceedings of the virtual meeting from beginning to end, the provisions of article 8 are updated on the record keeping of the related process and the information for the virtual meeting.</p>
<p>Article 10 (Calculation of the number of shares in attendance at the shareholders meeting and holding of the meeting)</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed, <u>and the shares checked in on the virtual meeting platform</u> in plus the number of shares whose voting rights are exercised by</p>	<p>Article 10 (Calculation of the number of shares in attendance at the shareholders meeting and holding of the meeting)</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 9 are amended the approach of calculation of the number of shares in attendance at</p>

After amended	Before amended	Explanation
<p>correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time, and the number of shares having no voting right and the number of shares in attendance shall be announced at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 7.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>The chair shall call the meeting to order at the appointed meeting time, and the number of shares having no voting right and the number of shares in attendance shall be announced at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>the shareholders meeting and the declaration process while the meeting is adjourned. In addition, for the shareholders meeting convened through tentative resolution, shareholders intend to attend the meeting online shall re-register</p>

After amended	Before amended	Explanation
<p>Article 12 (Shareholder speech) Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Each shareholders speaking concerning a proposal may speak <u>only once</u> concerning a reporting matter, and each instance of speaking may not exceed 5 min. In the case of other proposals (including motions from the floor), shareholders may not speak more than twice without the chair's consent, and each instance may not exceed 5 min. However, the chair may terminate a shareholder's speaking if the shareholder violates regulations or speaks concerning issues outside the scope of the proposal topic. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond. <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned.</u> <u>No more than two questions for the same proposal may be raised. Each</u></p>	<p>Article 12 (Shareholder speech) Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Each shareholders speaking concerning a proposal may speak <u>only once concerning a reporting matter, and each instance of speaking may not exceed 5 min.</u> In the case of other proposals (including motions from the floor), shareholders may not speak more than twice without the chair's consent, and each instance may not exceed 5 min. However, the chair may terminate a shareholder's speaking if the shareholder violates regulations or speaks concerning issues outside the scope of the proposal topic. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>1. Adjust the consistency of the limit on the number of speeches made by shareholders. 2. In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 11 are updated on the method, process and restrictions of raising questions for the shareholders attending the virtual meeting online.</p>

After amended	Before amended	Explanation
<p>question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</p> <p>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</p>		
<p>Article 14 (Voting on proposals, supervision of voting, and ballot counting method)</p> <p>Paragraphs 1-6 are not specifically amended herein shall remain unchanged and therefore left out.</p> <p><u>When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 7 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for</u></p>	<p>Article 14 (Voting on proposals, supervision of voting, and ballot counting method)</p> <p>Paragraphs 1-6 are not specifically amended herein shall remain unchanged and therefore left out.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 13 are amended as following,</p> <ol style="list-style-type: none"> 1. The approach of voting and counting of votes for the resolutions at the shareholders meeting by virtual or hybrid shareholders meeting resolutions. 2. The time limit for the revocation of the shareholders who have registered to attend the meeting online decide to attend the shareholders meeting in person. 3. The shareholders who exercise voting rights by correspondence or electronic means without withdrawing the declaration of intent shall attend the shareholders meeting online but shall exercise voting rights on extraordinary motions only.

After amended	Before amended	Explanation
<p><u>extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 14-1 (Electronic voting) When this company holds a shareholders meeting, it shall include electronic means as a possible channel for the exercise of voting rights, and this method shall be stated in the shareholders meeting notification. A shareholder exercising voting rights by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise voting rights by electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or attend the meeting online</u>, that shareholder should be able to use the same method as used to exercise his or her voting rights to express his or her wish to retract the exercise of voting rights in the previous paragraph before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by electronic means shall prevail. When a shareholder has exercised voting rights by electronic means and by appointing a proxy to attend a</p>	<p>Article 14-1 (Electronic voting) When this company holds a shareholders meeting, it shall include electronic means as a possible channel for the exercise of voting rights, and this method shall be stated in the shareholders meeting notification. A shareholder exercising voting rights by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise voting rights by electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by electronic means, in the event the shareholder intends to attend the shareholders meeting in person, that shareholder should be able to use the same method as used to exercise his or her voting rights to express his or her wish to retract the exercise of voting rights in the previous paragraph before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by electronic means shall prevail. When a shareholder has exercised voting rights by electronic means and by appointing a proxy to attend a</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 13 are updated on the time limit for the revocation of after the shareholder has intended to exercise voting rights by electronic means, in the event the shareholder intends to attend the shareholders meeting in person.</p>

After amended	Before amended	Explanation
shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.	exercised by the proxy in the meeting shall prevail.	
<p>Article 16 (meeting minutes) Paragraphs 1-4 are not specifically amended herein shall remain unchanged and therefore left out.</p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online</u></p>	<p>Article 16 (meeting minutes) Paragraphs 1-4 are not specifically amended herein shall remain unchanged and therefore left out.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 15 are updated on the particulars to be included in the virtual meeting minutes.</p>
<p>Article 17 (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, <u>the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u> and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>	<p>Article 17 (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 16 are updated as followings, if the cooperation convenes a virtual shareholder meeting, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform.</p>

After amended	Before amended	Explanation
<p><u>During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p>		
<p><u>Article 20 (Disclosure of information at virtual meetings)</u></p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	(Newly added)	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 19 are updated on the sufficient time period for disclosing of real-time results of votes and election at virtual meetings</p>
<p><u>Article 21 (Location of the chair and secretary of virtual-only shareholders meeting)</u></p> <p><u>When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	(Newly added)	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 20 are amended as the location of the chair and secretary of virtual-only shareholders meeting</p>

After amended	Before amended	Explanation
<p><u>Article 22 (Handling of disconnection)</u> <u>In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u> <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u> <u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u> <u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u> <u>During a postponed or resumed</u></p>	<p>(Newly added)</p>	<p>In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 21 are amended as followings,</p> <ol style="list-style-type: none"> 1. In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting. 2. The event of virtual shareholders meeting, the chair shall declare the follow-up measures if virtual meeting is obstructed due to natural disasters, accidents or other force majeure events. 3. For a meeting being postponed or resumed as the communication technical issues shall be adopted the related measures depends on the situation.

After amended	Before amended	Explanation
<p><u>session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public</u></p>		

After amended	Before amended	Explanation
<u>Companies, this Corporations shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u>		
<u>Article 23 (Handling of digital divide)</u> <u>When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u>	(Newly added)	In line with Taiwan Stock Exchange Corporation's declaration of the amendment of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" on 2022.03.08, the provisions of article 22 are updated on this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.
<u>Article 24</u> These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.	<u>Article 20</u> These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.	The sequence of the article is amended.
<u>Article 25</u> These Rules were formulated on December 10, 2001. Amended for the first time at the shareholders' meeting on June 28, 2011. Amended for the second time at the shareholders' meeting on June 22, 2012. Amended for the third time at the shareholders' meeting on June 12, 2015 Amended for the fourth time at the shareholders' meeting on June 14, 2019. Amended for the fifth time at the shareholders' meeting on June 12, 2020. Amended for the sixth time at the shareholders' meeting on June 11, 2021. <u>Amended for the seventh time at the shareholders' meeting on June 17, 2022.</u>	<u>Article 21</u> These Rules were formulated on December 10, 2001. Amended for the first time at the shareholders' meeting on June 28, 2011. Amended for the second time at the shareholders' meeting on June 22, 2012. Amended for the third time at the shareholders' meeting on June 12, 2015 Amended for the fourth time at the shareholders' meeting on June 14, 2019. Amended for the fifth time at the shareholders' meeting on June 12, 2020. Amended for the sixth time at the shareholders' meeting on June 11, 2021	1. The sequence of the article is amended. 2. The date of amendment is amended.

V. Extempore motion

(The shareholder with A/C No. 129855 raised questions virtually regarding shareholder meeting souvenir; The shareholder with A/C No. 564407 raised suggestions virtually regarding online notice of shareholders' meeting. The Chairman appointed staff to replied to the shareholders online.)

VI. Meeting adjourned (at about 9:41 AM the same day.)

Chairperson: Yung-Jen Huang, Chairman of the Board of Directors

Minutes taken down by Mei-Cheng Chu

※The Minutes only reflected the main contents of the meeting. Please refer to the recording for the exact contents and proceeding of the meeting.

VII. Appendices

<Appendix 1>

Business Report

Dear Shareholders :

The development of a vaccine for COVID-19 brought hope for the global economy in 2021. Even though the threat of variants is still full of risks, countries have gradually adapted to the impact and are attempting to co-exist with the virus, beginning the path of recovery amongst the turmoil. Taiwan announced a nationwide Level 3 epidemic alert due to an outbreak of COVID-19, but it further strengthened the resilience of the healthcare system. In 2021, Taiwan's GDP growth rate was at the highest rate over the past 11 years due to the increase in exports and domestic investments, especially the semiconductor, electronics, and ICT industries, in which many hidden champions play an important role in the global supply chain and allow Taiwan's strength to be recognized by international society.

In an era full of challenges and uncertainties, we believe that stable long-term core values and a clear vision will guide our way in the darkness, and precise strategies and quick and effective execution will stably propel us forward through the waves. E.SUN was founded in 1992 and upholds the core values of "honesty, integrity, professional, and responsible" under the vision of "Taiwan's E.SUN, the World's E.SUN," determined to become the most respected company with the best overall performance. In response to the international trends of regional cooperation and competition, digital technology, and climate change, we are actively exerting the influence of our core business and expanding in Asia, helping customers engage in digital transformation and achieve net zero emissions, in order to jointly work towards sustainable development with society.

Glorious 30th Anniversary, Turning the Flywheel of E.SUN

It is as the flywheel effect mentioned by Jim Collins in the book Good to Great, E.SUN has continuously consolidated its capabilities and insisted on making the flywheel spin quickly throughout three decades. E.SUN achieved excellent overall performance in 2021. In terms of financial indicators, E.SUN FHC reported a record high net income of NT\$57.9 billion and after tax earnings of NT\$20.6 billion, achieving an annual growth rate of 14.0% with EPS at NT\$1.54, ROA at 0.66%, ROE at 10.95%, and capital adequacy ratio at 123.48%. The after tax earnings of subsidiaries E.SUN Bank, E.SUN Securities, and E.SUN Venture Capital grew by 6.6%, 113.2%, and 53.9%, respectively.

In terms of business indicators, E.SUN FHC's total assets rapidly grew at a compound annual growth rate of higher than 10% over the past decade to NT\$3.2 trillion. As of the end of 2021, total deposits amounted to NT\$2.7 trillion, in which foreign currency deposits were equal to NT\$1.3 trillion and up by 12.9%. The annual net increment of foreign currency deposits exceeded NT\$100 billion for 4 consecutive years. Total loans grew by 9.1% to NT\$1.8 trillion, and asset quality remained at a sound level with an NPL ratio of 0.16% and an NPL coverage ratio of 783.84%. Net fee income grew by 7.5% to NT\$21.3 billion, and reached a record high for 13 consecutive years, in

which net fee income from wealth management grew by 7.1% to NT\$9.9 billion, which was also a record high.

In 2021, E.SUN FHC was selected as a constituent stock of the Dow Jones Sustainability Index (DJSI) for 8 consecutive years for excellent performance in ESG management. It was also recognized with the best performance in Taiwan's banking industry by international ESG institutions, including MSCI ESG and FTSE4Good, and won the Best Bank in Taiwan Award from Forbes and The Asset.

Taiwan's E.SUN, Asia's E.SUN

As we begin our fourth decade of operation, members of E.SUN come together to jointly plan goals and strategies for the next decade, and will aim to become a regional financial institution in Asia by focusing on business expansion in Asia, technology investment, and ESG development.

E.SUN has established 28 overseas business locations in 9 countries and regions, and overseas branches and subsidiaries collectively accounted for 20% of after tax earnings of E.SUN Bank in 2021. In the future, we will continue to expand service presence in Asia, integrate the service network in Taiwan and overseas, build a team of international experts, and establish a complete financial services platform in Asia to become the first choice of customers.

In the aspect of technology, E.SUN uses technology as an accelerator with information at the core, and assembled a technology team with IT experts, responsible for overall digital development, artificial intelligent(AI) applications, IT development, and information security management. E.SUN is the first bank in Taiwan to establish a core system with microservices and cloud native technology. In the future, we will continue to incorporate AI into our business processes and actively develop digital banking, which will improve our service efficiency and customer experience, and help drive the digital transformation and innovation of society.

In the development of ESG, E.SUN continues to align with international standards and best practices, and is the first financial institution in Taiwan and the second in Asia to pass the review of carbon reduction targets by SBTi. We have already set mid- and long-term goals, including renovating all our buildings in Taiwan into green buildings by 2027, domestic operating locations using 100% renewable energy by 2030, and becoming a bank with net zero carbon emissions by 2050. Aside from our own operations, we also actively engaged with business partners and co-organized ESG initiatives with outstanding companies in Taiwan to take action on climate change. In the future, E.SUN will continue working on alignment with global best practices, creating sustainable value, and exerting influence in key areas, aiming to become customers' best partner in sustainable development.

Towards a Sustainable Future of Mutual Prosperity

The motto of the Tokyo Olympics in 2021 was "Faster, Higher, Stronger, Together," which symbolizes that we live in an interdependent world, and from individuals and companies to society

and countries, working together will improve the well-being of all. E.SUN insists on its original intentions, and generations of E.SUN employees have passed the torch in bravely pursuing highly challenging goals, climbing the mountains of "overall performance, corporate social responsibility, and sustainable development." We are actively incorporating ESG into our financial services and operations, and also working together with government, companies, and individuals to expand our influence. We are grateful for the support and feedback provided by all stakeholders to E.SUN over the years. Looking towards the future, we hope to work towards a sustainable future of mutual prosperity through planned, systematic, and disciplined actions. Together we are one!

Chairman



President



<Appendix 2>

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021		2020	
	Amount	%	Amount	%
ASSETS				
CASH AND CASH EQUIVALENTS (Notes 4 and 6)	\$ 85,237,301	3	\$ 54,640,670	2
DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS (Notes 4, 7 and 40)	125,370,528	4	121,080,836	4
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 4, 8 and 40)	411,389,536	13	715,809,282	24
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Notes 4, 9, 40 and 43)	333,399,699	10	263,902,860	9
INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST (Notes 4, 10, 40 and 43)	308,219,235	10	16,465,798	1
SECURITIES PURCHASED UNDER RESELL AGREEMENTS (Notes 4 and 11)	-	-	2,300,196	-
RECEIVABLES, NET (Notes 4, 12 and 39)	124,412,124	4	116,686,211	4
CURRENT TAX ASSETS (Notes 4 and 36)	80,677	-	106,412	-
DISCOUNTS AND LOANS, NET (Notes 4, 13, 39 and 40)	1,768,641,241	55	1,620,374,068	55
OTHER FINANCIAL ASSETS, NET (Notes 4 and 14)	9,090,476	-	6,235,133	-
INVESTMENT PROPERTIES, NET (Notes 4 and 15)	1,855,043	-	1,827,047	-
PROPERTIES AND EQUIPMENT, NET (Notes 4 and 16)	33,881,468	1	33,290,884	1
RIGHT-OF-USE ASSETS, NET (Notes 4 and 17)	6,933,260	-	3,168,210	-
INTANGIBLE ASSETS, NET (Notes 4 and 18)	6,176,279	-	6,167,861	-
DEFERRED TAX ASSETS (Notes 4 and 36)	2,329,213	-	1,842,000	-
OTHER ASSETS, NET (Notes 4, 17, 19 and 29)	13,892,197	-	7,847,214	-
TOTAL	<u>\$ 3,230,908,277</u>	<u>100</u>	<u>\$ 2,971,744,682</u>	<u>100</u>
LIABILITIES AND EQUITY				
DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS (Note 20)	\$ 83,481,158	3	\$ 54,968,986	2
DUE TO THE CENTRAL BANK AND OTHER BANKS (Note 21)	14,021,010	1	8,044,340	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 4, 8 and 26)	61,199,462	2	70,441,442	3
SECURITIES SOLD UNDER REPURCHASE AGREEMENTS (Notes 4, 9, 10 and 22)	16,648,639	1	11,305,248	1
COMMERCIAL PAPER ISSUED, NET (Note 23)	4,788,871	-	3,257,632	-
PAYABLES (Notes 24 and 39)	32,756,248	1	33,872,856	1
CURRENT TAX LIABILITIES (Notes 4 and 36)	2,122,898	-	830,714	-
DEPOSITS AND REMITTANCES (Notes 25 and 39)	2,695,062,791	83	2,491,467,253	84
BOND PAYABLES (Note 26)	41,370,000	1	39,970,000	1
OTHER BORROWINGS (Note 27)	958,817	-	1,213,342	-
PROVISIONS (Notes 4, 28 and 29)	1,089,345	-	1,159,384	-
OTHER FINANCIAL LIABILITIES (Notes 15 and 30)	66,130,391	2	64,583,767	2
LEASE LIABILITIES (Notes 4 and 17)	3,998,061	-	3,275,399	-
DEFERRED TAX LIABILITIES (Notes 4 and 36)	1,348,359	-	1,422,381	-
OTHER LIABILITIES (Note 31)	11,547,585	-	4,331,361	-
Total liabilities	<u>3,036,523,635</u>	<u>94</u>	<u>2,790,144,105</u>	<u>94</u>
EQUITY ATTRIBUTABLE TO OWNERS OF ESFHC				
Capital stock				
Common stock	133,546,000	4	125,671,000	4
Capital surplus				
Additional paid-in capital from share issuance in excess of par value	22,279,730	1	21,967,730	1
From treasury stock transactions	3,382,484	-	3,382,484	-
Total capital surplus	25,662,214	1	25,350,214	1
Retained earnings				
Legal reserve	14,784,546	-	13,078,728	-
Special reserve	164,235	-	164,235	-
Unappropriated earnings	21,142,980	1	17,061,205	1
Total retained earnings	36,091,761	1	30,304,168	1
Other equity	(1,074,086)	-	143,010	-
Total equity attributable to owners of ESFHC	<u>194,225,889</u>	<u>6</u>	<u>181,468,392</u>	<u>6</u>
NON-CONTROLLING INTERESTS	<u>158,753</u>	<u>-</u>	<u>132,185</u>	<u>-</u>
Total equity	<u>194,384,642</u>	<u>6</u>	<u>181,600,577</u>	<u>6</u>
TOTAL	<u>\$ 3,230,908,277</u>	<u>100</u>	<u>\$ 2,971,744,682</u>	<u>100</u>

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021		2020		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
INTEREST REVENUE (Notes 4, 32 and 39)	\$ 35,482,114	61	\$ 36,089,321	64	(2)
INTEREST EXPENSE (Notes 4, 32 and 39)	<u>(9,497,790)</u>	<u>(16)</u>	<u>(14,750,803)</u>	<u>(26)</u>	(36)
NET INTEREST	<u>25,984,324</u>	<u>45</u>	<u>21,338,518</u>	<u>38</u>	22
NET REVENUES AND GAINS OTHER THAN INTEREST					
Service fee and commission income, net (Notes 4, 33 and 39)	21,323,578	37	19,831,103	35	8
Gains on financial assets and liabilities at fair value through profit or loss (Notes 4, 8 and 34)	7,921,241	14	12,327,602	22	(36)
Realized gains on financial assets at fair value through other comprehensive income (Notes 4 and 9)	1,637,885	3	1,928,603	3	(15)
Foreign exchange gains, net (Note 4)	807,018	1	450,867	1	79
Impairment losses on assets (Notes 4 and 15)	(43,029)	-	(16,066)	-	168
Other noninterest gains, net (Note 4)	<u>266,423</u>	<u>-</u>	<u>388,417</u>	<u>1</u>	(31)
Total net revenues and gains other than interest	<u>31,913,116</u>	<u>55</u>	<u>34,910,526</u>	<u>62</u>	(9)
TOTAL NET REVENUES	<u>57,897,440</u>	<u>100</u>	<u>56,249,044</u>	<u>100</u>	3
BAD-DEBT EXPENSES AND PROVISION FOR LOSSES ON COMMITMENTS AND GUARANTEES (Notes 4 and 13)	<u>(2,129,603)</u>	<u>(4)</u>	<u>(3,225,752)</u>	<u>(6)</u>	(34)
OPERATING EXPENSES (Notes 4, 15, 16, 17, 18, 29, 35 and 39)					
Employee benefits	(14,730,709)	(26)	(14,216,281)	(25)	4
Depreciation and amortization	(3,592,324)	(6)	(3,442,951)	(6)	4
General and administrative	<u>(13,485,365)</u>	<u>(23)</u>	<u>(14,834,968)</u>	<u>(27)</u>	(9)
Total operating expenses	<u>(31,808,398)</u>	<u>(55)</u>	<u>(32,494,200)</u>	<u>(58)</u>	(2)

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021		2020		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
INCOME BEFORE INCOME TAX	\$ 23,959,439	41	\$ 20,529,092	36	17
INCOME TAX EXPENSE (Notes 4 and 36)	<u>(3,373,936)</u>	<u>(6)</u>	<u>(2,481,236)</u>	<u>(4)</u>	36
NET INCOME FOR THE YEAR	<u>20,585,503</u>	<u>35</u>	<u>18,047,856</u>	<u>32</u>	14
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss (Notes 4, 29 and 36):					
Remeasurement of defined benefit plans	268,338	-	(306,696)	(1)	187
Changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss	(357)	-	(594,833)	(1)	(100)
Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	1,563,137	3	(8,750)	-	17,964
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>20,978</u>	<u>-</u>	<u>10,329</u>	<u>-</u>	103
Items that will not be reclassified subsequently to profit or loss, net of income tax	<u>1,852,096</u>	<u>3</u>	<u>(899,950)</u>	<u>(2)</u>	306

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021		2020		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
Items that may be reclassified subsequently to profit or loss (Notes 4 and 36):					
Exchange differences on the translation of financial statements of foreign operations	\$ (785,553)	(1)	\$ (957,715)	(2)	(18)
Unrealized gains (losses) on investments in debt instruments at fair value through other comprehensive income	(2,056,617)	(4)	783,364	2	(363)
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>347,567</u>	<u>1</u>	<u>49,333</u>	<u>-</u>	605
Items that may be reclassified subsequently to profit or loss, net of income tax	<u>(2,494,603)</u>	<u>(4)</u>	<u>(125,018)</u>	<u>-</u>	1,895
Other comprehensive loss for the year, net of income tax	<u>(642,507)</u>	<u>(1)</u>	<u>(1,024,968)</u>	<u>(2)</u>	(37)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 19,942,996</u>	<u>34</u>	<u>\$ 17,022,888</u>	<u>30</u>	17
NET INCOME ATTRIBUTABLE TO:					
Owners of ESFHC	\$ 20,558,988	35	\$ 18,026,592	32	14
Non-controlling interests	<u>26,515</u>	<u>-</u>	<u>21,264</u>	<u>-</u>	25
	<u>\$ 20,585,503</u>	<u>35</u>	<u>\$ 18,047,856</u>	<u>32</u>	14
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of ESFHC	\$ 19,916,428	34	\$ 17,001,757	30	17
Non-controlling interests	<u>26,568</u>	<u>-</u>	<u>21,131</u>	<u>-</u>	26
	<u>\$ 19,942,996</u>	<u>34</u>	<u>\$ 17,022,888</u>	<u>30</u>	17

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021		2020		Percentage Increase (Decrease) %
	Amount	%	Amount	%	
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 37)					
Basic	<u>\$ 1.54</u>		<u>\$ 1.35</u>		
Diluted	<u>\$ 1.54</u>		<u>\$ 1.35</u>		

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	Equity Attributable to Owners of ESFHC						Other Equity			Total Equity	
	Capital Stock (Note 38)		Capital Surplus (Notes 4 and 38)	Retained Earnings (Notes 4, 9, 36 and 38)			Exchange Differences on the Translation of Financial Statements of Foreign Operations (Note 4)	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4, 9 and 36)	Changes in the Fair Value Attributable to Changes in the Credit Risk of Financial Liabilities Designated as at Fair Value Through Profit or Loss (Note 4)		Non-controlling Interests (Notes 4 and 38)
	Shares (In Thousands)	Common Stock		Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2020	11,619,500	\$ 116,195,000	\$ 24,965,734	\$ 11,068,215	\$ 164,235	\$ 20,465,306	\$ (1,316,413)	\$ 1,569,189	\$ (53,345)	\$ 123,179	\$ 173,181,100
Appropriation of 2019 earnings											
Legal reserve	-	-	-	2,010,513	-	(2,010,513)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(9,191,766)	-	-	-	-	(9,191,766)
Stock dividends	926,000	9,260,000	-	-	-	(9,260,000)	-	-	-	-	-
Issuance of common stock from employees' compensation	21,600	216,000	384,480	-	-	-	-	-	-	-	600,480
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	(12,125)	(12,125)
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(664,477)	-	664,477	-	-	-
Transfer of changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss upon derecognition	-	-	-	-	-	2,892	-	-	(2,892)	-	-
Net income for the year ended December 31, 2020	-	-	-	-	-	18,026,592	-	-	-	21,264	18,047,856
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(306,829)	(772,986)	649,813	(594,833)	(133)	(1,024,968)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	17,719,763	(772,986)	649,813	(594,833)	21,131	17,022,888
BALANCE AT DECEMBER 31, 2020	12,567,100	125,671,000	25,350,214	13,078,728	164,235	17,061,205	(2,089,399)	2,883,479	(651,070)	132,185	181,600,577
Appropriation of 2020 earnings											
Legal reserve	-	-	-	1,705,818	-	(1,705,818)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(7,665,931)	-	-	-	-	(7,665,931)
Stock dividends	768,000	7,680,000	-	-	-	(7,680,000)	-	-	-	-	-
Issuance of common stock from employees' compensation	19,500	195,000	312,000	-	-	-	-	-	-	-	507,000
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	306,597	-	(306,597)	-	-	-
Net income for the year ended December 31, 2021	-	-	-	-	-	20,558,988	-	-	-	26,515	20,585,503
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	267,939	(632,313)	(277,829)	(357)	53	(642,507)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	20,826,927	(632,313)	(277,829)	(357)	26,568	19,942,996
BALANCE AT DECEMBER 31, 2021	<u>13,354,600</u>	<u>\$ 133,546,000</u>	<u>\$ 25,662,214</u>	<u>\$ 14,784,546</u>	<u>\$ 164,235</u>	<u>\$ 21,142,980</u>	<u>\$ (2,721,712)</u>	<u>\$ 2,299,053</u>	<u>\$ (651,427)</u>	<u>\$ 158,753</u>	<u>\$ 194,384,642</u>

The accompanying notes are an integral part of the consolidated financial statements.

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 23,959,439	\$ 20,529,092
Adjustments for:		
Depreciation expenses	2,866,864	2,787,307
Amortization expenses	725,460	655,644
Expected credit losses/bad-debt expenses	2,140,010	3,175,679
Gains on financial assets and liabilities at fair value through profit or loss	(7,921,241)	(12,327,602)
Interest expense	9,497,790	14,750,803
Interest revenue	(35,482,114)	(36,089,321)
Dividend income	(958,164)	(360,957)
Provision for losses on guarantees	32,837	49,804
Salary expenses on share-based payments	606,146	518,777
Gains on disposal of properties and equipment	(22,065)	(1,526)
Gains on disposal of assets held for sale	-	(173,592)
Gains on disposal of investments	(679,721)	(1,567,646)
Reversal of impairment losses on non-financial assets	-	(630)
Others	(4,137)	9,607
Net changes in operating assets and liabilities		
Due from the Central Bank and call loans to other banks	2,060,398	(28,705,429)
Financial assets at fair value through profit or loss	302,076,226	(162,981,789)
Financial assets at fair value through other comprehensive income	(74,079,140)	(46,464,409)
Investments in debt instruments at amortized cost	(291,929,995)	(4,076,817)
Receivables	(6,633,334)	(4,257,641)
Discounts and loans	(150,145,033)	(178,340,103)
Other financial assets	(2,860,668)	1,804,409
Other assets	(7,302,919)	(1,368,528)
Deposits from the Central Bank and other banks	28,512,172	(2,934,800)
Financial liabilities at fair value through profit or loss	(3,094,117)	(16,917,798)
Securities sold under repurchase agreements	5,343,391	4,077,009
Payables	(742,513)	6,291,632
Deposits and remittances	203,595,538	408,482,624
Provision for employee benefits	(285,365)	(13,327)
Provisions	-	(820)
Other financial liabilities	4,808,545	25,780,916
Other liabilities	<u>7,209,990</u>	<u>440,254</u>
Cash generated from (used in) operations	11,294,280	(7,229,178)
Interest received	39,658,466	43,819,965
Dividends received	1,080,885	442,630
Interest paid	(10,802,942)	(17,418,901)
Income tax paid	<u>(2,269,695)</u>	<u>(3,840,779)</u>
Net cash generated from operating activities	<u>38,960,994</u>	<u>15,773,737</u>

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of assets held for sale	\$ -	\$ 334,178
Payments for properties and equipment	(4,275,085)	(1,963,191)
Proceeds from disposal of properties and equipment	72,524	19,845
Increase in operating deposits	(10,000)	-
Decrease in operating deposits	-	15,000
Increase in settlement fund	(130,169)	(329)
Decrease in settlement fund	114,287	6,199
Increase in refundable deposits	-	(1,591,956)
Decrease in refundable deposits	1,551,495	-
Payments for intangible assets	(403,142)	(381,627)
Payments for right-of-use assets	(1,529,564)	(430)
Increase in other assets	-	(912)
Decrease in other assets	<u>58</u>	<u>-</u>
Net cash used in investing activities	<u>(4,609,596)</u>	<u>(3,563,223)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	848,371
Decrease in short-term borrowings	(244,591)	-
Increase in due to the Central Bank and other banks	5,976,670	8,044,340
Increase in commercial paper issued	1,532,000	-
Decrease in commercial paper issued	-	(424,867)
Proceeds from issue of corporate bonds	2,000,000	-
Repayments of corporate bonds	(900,000)	-
Proceeds from issue of bank debentures	1,600,000	7,000,000
Repayments of bank debentures	(1,300,000)	(5,100,000)
Proceeds from long-term borrowings	-	2,851
Increase in guarantee deposits received	-	3,635,359
Decrease in guarantee deposits received	(3,261,921)	-
Repayments of the principal portion of lease liabilities	(1,122,866)	(1,063,280)
Cash dividends paid	(7,665,931)	(9,191,766)
Cash dividends paid to non-controlling interests	<u>-</u>	<u>(12,125)</u>
Net cash generated from (used in) financing activities	<u>(3,386,639)</u>	<u>3,738,883</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>3,681,766</u>	<u>(183,104)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	34,646,525	15,766,293
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>70,065,700</u>	<u>54,299,407</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 104,712,225</u>	<u>\$ 70,065,700</u>

(Continued)

E.SUN FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

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

	<u>December 31</u>	
	2021	2020
RECONCILIATIONS OF THE AMOUNTS IN THE CONSOLIDATED STATEMENTS OF CASH FLOWS WITH THE EQUIVALENT ITEMS REPORTED IN THE CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2021 AND 2020		
Cash and cash equivalents in the consolidated balance sheets	\$ 85,237,301	\$ 54,640,670
Due from the Central Bank and call loans to other banks in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows”	19,474,924	13,124,834
Securities purchased under resell agreements in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows”	-	2,300,196
Cash and cash equivalents at the end of the year	<u>\$ 104,712,225</u>	<u>\$ 70,065,700</u>

The accompanying notes are an integral part of the consolidated financial statements

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
E.SUN Financial Holding Company, Ltd.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon,

and we do not provide a separate opinion on these matters.

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

Assessment of Allowance for Possible Losses on Loans

The Company is engaged principally in providing loans to customers. As of December 31, 2021, the net amount of discounts and loans of the Company represented approximately 55% of total consolidated assets, and is considered material to the consolidated financial statements as a whole. Besides assessing expected credit losses of loans in accordance with IFRS 9 "Financial Instruments", the management of E.SUN Commercial Bank, Ltd. (E.SUN Bank), a subsidiary of ESFHC, complies with the Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans and related regulations (collectively, the Regulations) when assessing classification of credit assets and recognizing allowance for possible losses. For accounting policies and relevant information about loan impairment assessment of E.SUN Bank, please refer to Notes 4, 5 and 13 to the consolidated financial statements.

We determined the assessment of allowance for possible losses on loans to be a key audit matter for the year ended December 31, 2021 because the assessment made by E.SUN Bank to assess the classification of credit assets and recognize allowance for possible losses in accordance with the Regulations involves critical estimates and judgements.

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

1. We obtained an understanding of and performed test on the relevant internal controls in respect of E.SUN Bank's loan impairment assessment.
2. We acquired the loan evaluation form used by management of E.SUN Bank and assessed the allowance for possible losses on credit assets; we tested the completeness of the loan assets.
3. We assessed that the loans of E.SUN Bank were classified in accordance with the definition of the Regulations.
4. We calculated the required provision of allowance for possible losses on loans of E.SUN Bank in order to assess whether it complied with the Regulations.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine

that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Yin-Chou Chen and Chen-Hsiu Yang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2022

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Audit Committee Report

To: E.SUN Commercial Bank 2022 General Shareholders' Meeting
(executed by the Board of Directors)

The board of directors has complied and submitted the bank's 2021 standalone and consolidated financial statements audited by Certified Public Accountants of Deloitte & Touche, business report and statement of distribution of retained earnings to Audit Committee. After reviewing the abovementioned statements and reports and discussing with the CPAs, the Audit Committee has found them to meet the requirements of applicable laws and regulations. This report is hereby prepared in accordance with Article 14-4 of Security and Exchange Act and Article 219 of Company Act and submitted for your approval.

E.SUN Commercial Bank Audit Committee

Independent Director: 

Independent Director: 

Independent Director: 

Independent Director: 

Independent Director: 

Date: April 18 2022