

## **E.SUN FHC Organizational Regulations of the Corporate Governance & Nomination Committee**

Approved on 2007.11.15 during the 16th Meeting of the Second Board of Directors  
Amended on 2011.07.29 during the 4th Meeting of the Fourth Board of Directors  
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Amended on 2021.11.12 during the 16th Meeting of the Seventh Board of Directors

### **Article 1 (Basis for Formulation of these Organizational Regulations)**

To enhance sound governance and strengthen the roles and responsibilities for the company and its subsidiaries, the company has established these Organizational Regulations of the Corporate Governance & Nomination Committee (hereinafter referred to as the Organizational Regulations) to ensure compliance in accordance with Article 35 of the Corporate Governance Best Practice Principles for Financial Holding Companies.

### **Article 2 (Applicable Scope)**

Unless otherwise specified by law or the articles of incorporation, the roles and responsibilities of the Committee shall be based on the rules set forth in these Organizational Regulations.

The "subsidiaries" herein mean companies in which the company directly holds 100% of the voting shares.

### **Article 3 (Role of the Committee)**

The committee, with authorization by the Board of Directors, assists the Board of Directors in handling the following matters:

- I. Soundness of organization and system of corporate governance and effectiveness of the ethical management policy.
- II. Search, review, and nomination of director, independent director and supervisor candidates of the company and its subsidiaries.
- III. Construction and development organization of the Board of Directors for the company and its subsidiaries to ensure an appropriate board composition.
- IV. Nomination or review of the presidents of the company and subsidiaries as well as the list of vice president candidates for the company and its subsidiary banks.

### **Article 4 (Composition of the Committee)**

The Committee consists of three or more directors named by a resolution of the Board of Directors. No fewer than half of the members shall be independent directors, who shall serve as both convener and chair of the Committee.

A director's term on the Committee, unless otherwise specified by the law or the company's articles of incorporation, starts on the date of the respective board resolution and ends on the date when the director's term on the board ends, when the director resigns from the Committee or the board, or when the Board of Directors passes another resolution to replace

the director.

#### Article 5 (Scope of Member Duties)

The responsibilities of the Committee, according to Article 3, are mainly as follows:

- I. Locate director and supervisor candidates for the company and its subsidiaries, propose the list of director and supervisor candidates to the Board of Directors, review in advance director and supervisor candidates' qualifications according to the Director Election Guidelines for the company and its subsidiaries, and provide review results and a list of recommended director and supervisor candidates, after they have been passed by the Board of Directors, to the shareholders meeting as reference for an election or appointment of appropriate directors.
- II. Nominate or review the presidents of the company and its subsidiaries as well as the list of vice president candidates for the company and its banking subsidiary according to the E.SUN Executive Officer Selection Guidelines.
- III. Construct and develop the organizational structure of the Board of Directors of the company and those of its subsidiaries and of the committees that report to the board.
- IV. Devise and review regularly the succession plans for the directors and executive officers.
- V. Audit and assess the soundness of the organization and system of the company's corporate governance and make recommendations to the Board of Directors.
- VI. Review the governance relationship between the company, its subsidiaries and other affiliates.
- VII. Establish the integrity management policies and prevention programs and supervise the implementation thereof:
  - (I) Assist the integration of ethical and moral values into the company's business strategies and stipulate preventive measures against corruption and malfeasance related to ethical corporate management in accordance with laws and regulations.
  - (II) Establish courses of action to prevent unethical conduct and form business-related standard operating procedures and guidelines for each course of action.
  - (III) Formulate internal organization, structure and duties, provide reciprocal supervision, check and balance for business activities with higher risks of unethical conduct within the scope of business.
  - (IV) Promote and coordinate ethical policy advocacy and training.
  - (V) Plan reporting systems to ensure effective execution.
  - (VI) Assist the Board of Directors and management in auditing and assessing whether the preventive measures established for the implementation of ethical corporate

management work effectively, evaluate the compliance of relevant business procedures on a regular basis and compile into reports.

Article 6 (Meeting rules and attendance)

This Committee convene meetings at least twice a year, and shall hold meetings whenever deemed necessary. The Committee members shall attend meetings in person or participate in meetings by means of video conferencing.

The Committee may request the managers of relevant departments, certified public accountants, legal counsels, or other personnel of the company or its subsidiaries to provide relevant and essential information, and invite said personnel above to participate in meetings as non-voting participants.

When a meeting of the Committee is convened, relevant information shall be provided and issued to the Committee members for reference as needed.

Article 7 (Convener and Meeting Procedure)

If the convener of the Committee is unable to host a meeting due to leave of absence or other reasons or is recused under Article 10, the convener shall appoint another member of the Committee to act on his/he behalf. Where the convener has not appointed any such person, the rest of the committee members shall select one of independent director from among themselves to act on the convener's behalf.

A notice of reasons for convening a Committee meeting shall be distributed to all members of the Committee at least seven days before the meeting. In emergency circumstances, however, meetings may be convened at any time.

Article 8 (Preparation of Agenda)

The convener shall determine the proceedings of the Committee's meeting agenda; other Committee members may also propose agenda items for discussion during the meeting.

Article 9 (Resolutions, Minutes, and Reports)

Unless otherwise regulated by laws and regulations, the company's Articles of Incorporation or other rules, a resolution of the Committee requires a consent by two thirds or more of the attending committee members, who must account for more than half of the Committee. An agenda item is considered passed if the chairperson does not receive any objections from members in attendance. This voting method has the same effect as the conventional ballot method.

The resolutions reached by the Committee meeting shall be entered into the meeting minutes, including the following items:

- I. The session, time, and place of the meeting.
- II. The name of the chairperson.

- III. Status of attendance by the members, including the number and names of those who have attended, asked for leave, or were absent.
- IV. The names and titles of the non-voting participants.
- V. The name of the minute's taker.
- VI. Reported items:
- VII. Discussions: resolution methods and results of each motion, objection or reserved opinions expressed by other members.
- VIII. Extempore motions: name of proposers, resolution methods and results of each motion, summary of speeches of members, experts, and other participants, and objection or reserved opinions.
- IX. Other matters that shall be recorded.

The Committee member attendance sign-in book shall be regarded as part of the meeting minutes.

Where Committee meetings are held by way of video conferencing, the recorded video and audio shall be treated as part of the meeting minutes.

Meeting minutes shall be signed off or sealed by the meeting chairperson and minutes taker, and shall be distributed to all Committee members within 20 days from the date of the meeting, and be made part of the company's important documents and stored for a minimum of five years. The preparation and distribution of meeting minutes may be made in electronic form.

In the event of any litigation involving the Committee occurring prior to the end of the retention period above, the meeting minutes shall be stored until the legal case is closed.

The Committee shall present a report to the Board of Directors within a reasonable period of time after a meeting is held. The Board of Directors may only resolve to reject recommendations of the Committee with at least two-thirds of directors in attendance and more than half of the attending directors in concurrence. In addition to specifying the differences between the two and the reasons thereof in the minutes of the board meeting at point, the company shall make an announcement in a filing to the Market Observation Post System within two days of the given board resolution.

#### Article 10 (Recusal from Resolutions)

When the agenda of any meeting involves personal interests of committee members, the latter shall sum up these personal interests at the said meeting and shall refrain from participating in the discussion and voting process and recuse themselves when the said process is under way. Neither shall they exercise the voting rights of other committee members by proxy. Where the spouse or a blood relative within the second degree of kinship of a member or any company that has a controlling or subordinate relationship with a

member has interests in the matters under discussion at a meeting of the Committee, the member at point shall be deemed to have a personal interest in these matters.

#### Article 11 (Appointment of Experts)

The Committee may appoint lawyers, certified public accountants, recruitment agencies and other professionals to conduct necessary audits or provide advice regarding Article 3 and Article 5, and all costs thus incurred shall be borne by the company.

#### Article 12 (Duties of Committee Members)

Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in these Organizational Regulations. The Committee shall report to the board of directors. All proposals, except for those under Article 5, Paragraph 1, Subparagraph 7, shall be submitted to the Board of Directors of individual companies to which the proposals belong for resolution.

#### Article 13 (Authorization by the Committee)

The convener or other Committee members may be authorized to deal with matters that have been resolved by the Committee and other related tasks to be implemented subsequently. They shall submit written reports to the Committee during the implementation period, and the matter shall be submitted to the next Committee meeting for retrospective acknowledgment or shall be reported thereto if necessary.

#### Article 14 (Effectiveness)

These Organizational Regulations shall become effective upon approval by the board of directors.