

SinoPac Financial Holdings Company Limited

Minutes of 2021 Annual General Shareholders' Meeting

(Summary Translation)

(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/Date: Tuesday, July 20, 2021, at 9:00 a.m. (Taipei time)

Venue: 5F, No.24, Sec. 1, Hangzhou S. Rd., Taipei, Taiwan (GIS MOTC Convention Center)

Attendance: The total amount of common shares outstanding is 11,271,054,106. Common shares represented by shareholders present in person and by proxy (including 3,737,473,251 shares represented by shareholders exercising voting rights electronically) are 9,564,520,361 shares, accounting for 84.85% of the total common shares outstanding. The total amount of preferred shares outstanding is 10,000,000. Preferred shares represented by shareholders present in person and by proxy are 10,000,000 shares, accounting for 100% of the total preferred shares outstanding.

Attendance list of the Board of Directors:

Director : Stanley CHU, Chi-hsing YEH

Independent Director : James J. SHEU, Chi SCHIVE, Wei-ta PAN

Observers: WU, Mei-Hui (CPA), HUANG, Cheng Chieh (Attorney-at-Law)

Chairman: Shi-kuan CHEN, Chairperson of the Board of Directors

Recorder: Jenny HUANG

(In response to the epidemic prevention operation guidelines 3.0 version for convening the shareholders meeting and strengthening related epidemic prevention measures, this shareholders meeting is planned to be in the auditorium on the 5th floor of the GIS MOTC Convention Center and provides multiple meeting area on the 2nd and 3rd floors of the GIS MOTC Convention Center at the same time. The shareholders meeting will use video and online live broadcast and voting in

accordance with the law, so as to strictly abide by the indoor meeting requirements of no more than 19 people.)

1. Chairman called the meeting to order: The Chairman announced that a quorum under the Company Act is present (including the shares represented by the shareholders present in person and by proxy together with the shares represented by the shareholders exercising voting rights electronically) and called the meeting to order.

2. Chairman's Statements (omitted).

3. Reporting Items

Proposal 1

Proposed by the board of directors

Proposal : Business Reports for year 2020.

Explanation: The 2020 Business Report is attached hereto as Attachment 1.

(Noted)

Proposal 2

Proposed by the board of directors

Proposal : Audit Committee's Review Report on Financial Statements for year 2020.

Explanation:

A. The 2020 Audit Committee's Review Report on Financial Statements is attached hereto as Attachment 2.

B. The Audit Committee's communications with audit officers, and CPAs is attached hereto as Attachment 3.

(Noted)

Proposal 3

Proposed by the board of directors

Proposal : Distribution of compensation for employees and directors for year 2020.

Explanation:

A. Based on Paragraph 2 of Article 36 of the Articles of Incorporation, distribution of compensation for employees and directors shall be determined by a resolution adopted by a majority vote at a board of directors meeting attended by two-thirds or more of the directors and be reported at a shareholders' meeting.

B. Based on Paragraph 1 of Article 36 of the Articles of Incorporation, for a profitable year, the Company shall set aside equivalent to or more than 0.01 % for employees' compensation and equivalent to or less than 1% for directors' compensation. For the soundness of the Company's continuing operation, the Company's accumulated losses shall first be covered before distributing the compensation. And according to

Paragraph 3 of Article 36, the Company shall deduct and set aside an amount equal to the cumulative losses (if any) from its profit before taxes before calculating employees' and directors' compensation.

Distribution of compensation for employees and directors for year 2020:

- a. The Company set aside NTD1,500,000 for compensation for employees, 0.012% of the profits following aforementioned calculation, and were distributed in cash.
 - b. The Company set aside NTD28,344,262 for compensation for directors, 0.229% of the profits following aforementioned calculation.
- C. This proposal was approved at the 1st and 2nd meeting of the 4th Term Remuneration Committee and the 1st, 2nd, and 3rd meeting of the 7th Term Board of Directors in 2021.

(Noted)

Proposal 4

Proposed by the board of directors

Proposal: Report on the amendment to the Company's "Guidelines for Ethical Corporate Management."

Explanation:

- A. The amendment to the "Guidelines for Ethical Corporate Management" is made in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" amended by Taiwan Stock Exchange Corporation.
- B. The amendment is highlighted as follows:
 - a. The provision that "the Company shall obtain approval from the Board of Directors for the ethical management policy" is added. (Article 6)
 - b. The provision that "the Company shall establish a risk assessment mechanism against unethical conduct" is added. (Article 8)
 - c. The provision that "the Company and its subsidiaries shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy" is added. (Article 9)
 - d. The provision that "the ethical management dedicated unit shall avail itself of adequate resources and staff itself with competent personnel and shall report to the Board of Directors at least once a year" is added. (Article 18)
 - e. The provision that "the internal audit unit shall examine the compliance with the prevention programs and shall report the results of examination to the ethical management dedicated unit" is added. (Article 21)
 - f. The provisions regarding follow-up measures to be adopted after investigations of cases reported are completed and an undertaking of anonymous reporting are added. (Article 24)

C. For the comparison table of amendments to the Company's "Guidelines for Ethical Corporate Management" and the amended version, are attached hereto as Attachment 4.

(Noted)

4. Ratification Items

Proposal 1

Proposed by the board of directors

Proposal : Business Reports and Financial Statements for year 2020.

Explanation:

- A. The 2020 Financial Statements of the Company, were audited by Wu, Mei-Hui CPA and Kuo, Cheng-Hung CPA, both of Deloitte & Touche, Taiwan who issued an unmodified opinion report.
- B. The aforementioned Business Reports and Financial Statements were approved at the 3rd meeting of the 7th Term Board of Directors in 2021 and examined by the Audit Committee.
- C. The 2020 Business Reports and Financial Statements are attached hereto as Attachment 1 and Attachment 5.

Resolutions :

- (1) The Chairman appointed shareholder TSAI Man-Shu (shareholder no. 527901) and shareholder PI Hui (shareholder no. 69462) as the monitoring personnel for Ratification and Discussion Items, and appointed personnel from the Register and Transfer Agency Division at SinoPac Securities as the counting personnel.

Resolutions :

The number of shares represented by the shareholders present at the time of voting was 9,564,520,361. The voting result revealed that 8,640,791,112 votes were cast in favor of the proposal (including 2,813,771,309 votes cast electronically), accounting for 90.34% of the total attending voting shares, whereas 758,829 votes were cast opposing the proposal (including 758,829 votes cast electronically), accounting for 0.00% of the total attending voting shares . There was no spoilt vote, accounting for 0.00% of the total attending voting shares . 922,970,420 votes were abstained or refrained (including 922,943,113 votes cast electronically), accounting for 9.66% of the total attending voting shares . Given the votes in favor of the proposal were beyond the quorum required, the proposal was approved as proposed.

Proposal 2

Proposed by the board of directors

Proposal : Proposal for distribution of 2020 earnings.

Explanation:

- A. The beginning retained earnings of the year 2020 was NTD4,724,916,130, and then it was adjusted by adding NTD 191,070,597 on the disposal of investments in equity instruments measured at fair value through other comprehensive income, deducting NTD 247,731,827 on the 2020 remeasurement of defined benefit plans, adding 2020 after-tax profit of NTD 12,241,353,967 and setting aside legal reserve of NTD 1,218,469,274, the distributable retained earnings became NTD15,691,139,593.
- B. Based on the Articles of Incorporation, proposal for distribution of 2020 earnings is as follows,
 - a. Cash dividends of Common Stock: NTD7,889,737,875 (NTD0.7 per share)
The amount of cash dividends per share shall be calculated and truncated to NTD1. The fractional amounts of dividends less than NTD1 are summed to be recognized as other income of the Company.
 - b. Unappropriated retained earnings: NTD7,801,401,718
- C. In accordance with Article 66-9 of the Income Tax Act, the net income and other comprehensive income of 2020 shall be applied first for the purpose of the distribution of earnings.
- D. In the event the number of outstanding shares to be affected by, buyback of shares, conversion of preferred stocks to common stocks, disposal of shares by shareholders, etc., it is proposed that the Board of Directors be authorized to adjust the cash dividends to be distributed to each share.
- E. The Company issued Class A preferred shares on May 15, 2009, based on the Articles of Incorporation, dividends of class A preferred shares A NTD945,541 was recognized as interest expense of 2020.
- F. This proposal was approved at the 3rd meeting of the 7th Term Board of Directors in 2021 and reviewed by the Audit Committee.
- G. The Distribution of 2020 earnings is attached hereto as Attachment 6.

Resolutions :

The number of shares represented by the shareholders present at the time of voting was 9,564,520,361. The voting result revealed that 8,646,836,092 votes were cast in favor of the proposal (including 2,819,816,289 votes cast electronically), accounting for 90.40% of the total attending voting shares , whereas 13,763,808 votes were cast opposing the proposal (including 13,763,808 votes cast electronically), accounting for 0.14% of the total attending voting shares . There was no spoilt vote , accounting for 0.00% of the total attending voting shares . 903,920,461 votes were abstained or refrained (including 903,893,154 votes cast electronically), accounting for 9.46% of the total attending voting shares . Given the votes in favor of the proposal were beyond the quorum required, the proposal was approved as proposed.

5. Discussion Items

Proposal 1

Proposed by the board of directors

Proposal : Proposal moves for amending the Company's "Articles of Incorporation."

Explanation:

- A. The amendment to the "Articles of Incorporation" is to improve corporate governance and specify the Company's dividend policy.
- B. The amendment is highlighted as follows:
In order to clarify the Company's dividend policy, by referring to the dividend distributable range of other financial institutions, and considering the executable and flexible dividend policy, and comparing the Company's distributable earnings allotment records over the years, it is proposed to amend the allocation of ordinary stock dividends not less than 30%. Therefore, the second paragraph of Article 36-1 is amended.
- C. The comparison table of amendments to the Company's "Articles of Incorporation" and the amended version, are attached hereto as Attachment 7.

Resolution:

The number of shares represented by the shareholders present at the time of voting was 9,564,520,361. The voting result revealed that 8,590,263,685 votes were cast in favor of the proposal (including 2,763,243,882 votes cast electronically), accounting for 89.81% of the total attending voting shares , whereas 343,713 votes were cast opposing the proposal (including 343,713 votes cast electronically), accounting for 0.00% of the total attending voting shares . There was no spoilt vote , accounting for 0.00% of the total attending voting shares . 973,912,963 votes were abstained or refrained (including 973,885,656 votes cast electronically), accounting for 10.19% of the total attending voting shares . Given the votes in favor of the proposal were beyond the quorum required, the proposal was approved as proposed.

Proposal 2: Proposal moves for amending the Company's "Rules of Procedure for Shareholders' Meetings."

Explanation:

- A. The amendment to the Company's "Rules of Procedure for Shareholders' Meetings" is made in accordance with the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" amended by Taiwan Stock Exchange Corporation on January 28, 2021.
- B. The amendment is highlighted as follows:
 - a. Article 6 :

- (a) To comply with the amendment of Paragraph 5 of Article 172 of the Company Act, and to avoid being misinterpreted as the limitation of each item in Paragraph 1 of Article 185 of the Company Act, other reasons can be proposed provisional motion. This amendment incorporates all current laws and regulations that cannot be proposed by means of provisional motions, so a fourth paragraph is added to this clause.
- (b) To comply with the provisions of the Ministry of Economic Affairs official document No. 10702417500 dated August 6, 2018, a fifth paragraph is added to this clause.
- b. Article 9 :

The amendment of this Article is to improve corporate governance and protect the rights of shareholders.
- c. Article 10 :

To comply with requirement for TWSE/GTSM Listed Companies in 2018 to adopt electronic voting system, the first paragraph of this Article has been revised to implement the spirit of case-by-case voting.
- d. Article 15 :

The amendment to this Article is to prevent the convener of the shareholders meeting from excessively restricting the voting time of shareholders, resulting in shareholders having no time to vote and affecting the exercise of voting rights by shareholders.
- e. Article 18-1 :
 - (a) The amendment to the first paragraph of this Article is to comply with the implementation of electronic voting by TWSE/GTSM Listed Companies since 2018.
 - (b) According to the paragraph 5 of Article 13 in the sample of XXX Co., Ltd Rules of Procedure for Shareholders Meeting of TWSE, the fourth paragraph of this Article is amended.
- f. Article 19 :

To cope with the amendments to the first, fourth and fifth paragraphs of Article 172-1 of the Company Act, a second paragraph is added to this Article and the original second and third paragraphs of this Article are moved to the third and fourth paragraphs in order.
- g. Article 21 :

In accordance with the recommendations of the Asian Corporate Governance Association, the third paragraph of this article is amended to implement the spirit of case-by-case voting, enhance corporate governance and protect shareholders' rights.
- h. Article 25 :

The date of the amendment to the rule has been added.

C. The comparison table of amendments to the Company's "Rules of Procedure for Shareholders' Meetings" and the amended version, are attached hereto as Attachment 8.

Resolutions :

The number of shares represented by the shareholders present at the time of voting was 9,564,520,361. The voting result revealed that 8,590,239,673 votes were cast in favor of the proposal (including 2,763,219,870 votes cast electronically), accounting for 89.81% of the total attending voting shares , whereas 341,801 votes were cast opposing the proposal (including 341,801 votes cast electronically), accounting for 0.00% of the total attending voting shares . There was no spoilt vote , accounting for 0.00% of the total attending voting shares . 973,938,887 votes were abstained or refrained (including 973,911,580 votes cast electronically), accounting for 10.19% of the total attending voting shares . Given the votes in favor of the proposal were beyond the quorum required, the proposal was approved as proposed.

6. Questions and Motions(None)

7. Adjournment : at 9:39 AM the same day.

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

Chairman: Shi-kuan CHEN

Minutes taken down by Jenny HUANG