

## **SinoPac Holdings Co., Ltd.**

### **Ethical Corporate Management Committee Organizational Charter**

- Formulated in accordance with external regulations
- Not formulated in accordance with external regulations

Established by: Compliance Division Approval level: The Board of Directors

#### **Article 1 Purpose and basis of adoption**

To foster ethical corporate management and sound development, the Ethical Corporate Management Committee (hereinafter referred to "the Committee") has been established pursuant to Paragraph 2, Article 17 of the Company's Articles of Association and Item 2, Article 18 of the Company's "Ethical Corporate Management Best Practice Principles."

#### **Article 2 Members and Term**

The Committee consists of independent directors with three to nine members, of which the independent directors of the Company are ex officio members, and the remaining members include independent directors of banks and securities subsidiaries.

Members of the Committee will be decided and appointed by the Company's Board of Directors.

The convener of the Committee will be an independent director of the Company nominated from among Committee members.

The term of office of the members of the Committee is the same as that of the Board of Directors. In case the term of office of an independent director of the Company or its subsidiary who serves as a Committee member has expired and is not re-appointed, is dismissed, or has resigned, the qualification of the independent director's membership to the Committee will also expire at the same time.

In case the number of Committee members is lower than the requirement in the proviso to Article 1, the Company's Board of Directors shall make a new appointment.

#### **Article 3 Scope of duties**

The Committee is responsible for the review of the ethical corporate management policies and prevention programs, and for supervision of

the implementation performance of the managerial departments. The Committee is mainly responsible for the below items and regularly reports their compliance status to the Board of Directors:

1. Assist in incorporating good faith and ethical values into the Company's business strategy to review the relevant precautionary measures of ethical corporate management and supervise the checks and balances mechanism in coordination with the regulatory system.
2. Review preventive programs of unethical acts and the related standard operating procedures and behavioral guidelines of tasks for each program.
3. Supervise the managerial departments to plan internal organization, structure, and job functions and set up mutual supervision and checks and balances mechanisms for business activities with high risk of unethical acts within the business scope.
4. Promotion and coordination of supervision of ethical policy advocacy and training.
5. Establishment of a whistle-blowing system and supervision of the effectiveness of its implementation.
6. Help the Board of Directors in supervising the management in review and evaluation of whether the preventive measures established for ethical corporate management are functioning effectively; regularly evaluate the status of compliance based on relevant business processes; and prepare necessary reports.

#### Article 4 Convening and holding of meetings

Meetings of the Committee shall be held at least once every six months and may be convened at any time as needed.

In convening a meeting of the Committee, a notice setting forth the subjects to be discussed at the meeting shall be given, and the convener shall act as the meeting chair. If the convener takes leave or is unable to convene a meeting for any reason, the convener shall appoint another Committee member to act on his or her behalf. If the convener does not make such an appointment, a member of the Committee shall be elected by and from among the other members on the Committee to serve as convener.

The Committee may invite the Company directors, relevant department

managers, internal auditors, accountants, legal consultants, or other personnel to attend meetings and provide relevant necessary information.

The membership of the Committee is a non-paid position, but each time they attend a Committee meeting in person, they will be paid NT\$10,000 as attendance fee.

#### Article 5 Agenda, Attendance, and Resolutions

The agenda of the Committee meeting is set by the convener. Other members may also provide proposals for the Committee to discuss. The agenda of the Committee meeting shall be provided to the members of the Committee in advance.

When the Committee meeting is convened, the Company shall prepare an attendance book for attending members to sign in and for reference.

The Committee members shall attend the meeting in person. If a member is unable to attend the meeting in person, the member may appoint another member to attend as his or her proxy. Attending a meeting via telecommunications will be deemed attendance in person.

A member of the Committee that appoints another member as proxy to attend a meeting shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda. Each member may accept a proxy from one person only.

Resolutions at meetings of the Committee shall be adopted with the consent of one half or more of the entire membership. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chairperson no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote. The result of the resolution shall be immediately reported and recorded in the meeting minutes.

#### Article 6 Meeting minutes

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chairperson.
3. Attendance of the Committee members at the meeting, specifying the names and the number of members present, excused, and absent.

4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minutes taker.
6. The matters reported at the meeting.
7. Discussion matters: For each proposal, the method of resolution and the result, and any objections or reservations expressed by the Committee members.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the members of the Committee and experts and other persons present at the meeting; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee. If the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chairperson and the minutes taker. A copy of the minutes shall be distributed to each member on the Committee within 20 days after the meeting, and shall be presented to the Board of Directors and retained as important corporate records for 5 years. The meeting minutes may be produced and distributed in electronic form.

If, before the expiration of the retention period under the preceding paragraph, any litigation arises in connection with any matter relating to the Committee, the meeting minutes shall be preserved until the conclusion of the litigation.

#### Article 7 Recusal

The members of the Committee shall recuse themselves from matters discussed at the meeting that are of interest to them and are harmful to the interests of the Company.

If the Committee is unable to reach an agreement on a resolution due to the provisions specified in the preceding paragraph, the matter shall be reported to the Board of Directors, and the Board of Directors shall vote on the resolution.

Article 8 Appointment of professionals

The Committee may, at the expense of this Corporation, resolve to retain the service of an attorney, certified public accountant, or other professional to conduct a necessary audit or to provide advice on matters relating to the exercise of the Committee's powers.

Article 9 Implementation of meeting resolutions

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the Committee members or designated management department for follow-up, with a written or verbal report to be presented to the Committee during the implementation period.

Article 10 Legal application

Any other matters not set forth in this Charter shall be dealt with in accordance with the applicable laws, rules, and the Company's internal regulations.

Article 11 Meeting administrative unit

The Committee's meeting administration will be handled by the Compliance Division, which will be in charge of facilitating the Committee's meeting agenda planning, meeting notice, meeting procedures, minutes of meeting, and other related matters

Article 12 Enforcement or amendment

This Charter, and any amendments hereto, shall enter into force after adoption by the Board of Directors and public announcement.

The Charter was approved at the third meeting in 2018 of the Sixth-Term Board of Directors on March 23, 2018.