

SinoPac Financial Holdings Company Limited

Minutes of 2022 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: Friday, May 27, 2022, at 9:00 a.m. (Taipei time)

Venue: Auditorium at 13F, No. 36, Sec. 3, Nanjing E. Road, Taipei, Taiwan

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 4,739,755,125 shares represented by shareholders exercising voting rights electronically) are 9,683,811,599 shares, accounting for 85.91% 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, Wei-thyr TSAO

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

- 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 2021.
Explanation: The 2021 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 2021.
Explanation:
A. The 2021 Audit Committee’s Review Report on Financial Statements is attached hereto as Attachment 2.
B. The main focus of the Audit Committee in 2021 and the communications among the Audit Committee, audit officers and CPAs are attached hereto as Attachment 3.
(1) On behalf of the Audit Committee, Independent Director James J. SHEU read out the Committee’s Review Report (to everyone in the shareholders’ meeting).
(2) Shareholder No. 546203 asked questions regarding credit ratings, major shareholders, and corporate operations; the chairperson and dedicated management team answered his questions.
(Noted)

Proposal 3 **Proposed by the board of directors**
Proposal: Distribution of compensation for employees and directors for year 2021.
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 2021:

- a. The Company set aside NTD2,000,000 for compensation for employees, 0.012% of the profits following aforementioned calculation, and were distributed in cash.
 - b. The Company set aside NTD36,000,000 for compensation for directors, 0.224% 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 2022.

(Noted)

Proposal 4

Proposed by the board of directors

Proposal: Report on the Issuance of 2021 Unsecured Ordinary Corporate Bonds.

Explanation:

- A. The report is submitted in accordance with Article 246 of the Company Act.
- B. On October 21, 2021, the Company raised funds of NT\$5 billion through the issuance of "2021 Tranche 1 Unsecured Ordinary Corporate Bonds" for the redemption of debt (i.e., commercial notes). The redemption of commercial notes was completed on October 27, 2021.
- C. "Regulations Governing the Issuance of 2021 Tranche 1 Unsecured Ordinary Corporate Bonds" is attached hereto as Attachment 4.

(Noted)

Proposal 5

Proposed by the board of directors

Proposal: Report on the amendment to the Company's " Guidelines for Corporate Social Responsibility " and renamed it the "Guidelines for Sustainable Development."

Explanation:

- A. The Company amended the "Guidelines for Corporate Social Responsibility" and renamed it to the "Guidelines for Sustainable Development" in accordance with Taiwan Stock Exchange Corporation's amendments to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies," (The Principles) including changing its name to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies."
- B. The amendment is highlighted as follows:
 - a. Amending the terms according to the Principles, including:

Titles of the Guidelines and Chapter 5, and terms used in Articles 1, 3, 4, 6, 7, 10, 11, and 24, such as changing “corporate social responsibility” to “sustainable development” and “performance of its corporate social responsibility” to “promotion of its sustainable development”

- b. Amending the text according to the Principles to make it clearer, including:
 - Article 13: Identifying “promote the concept of sustainable consumption” as the intended purpose of internal environmental education; and
 - Article 25: Identifying “enhance the performance of sustainable development” as the purpose of ongoing review and improvement of the sustainable development system.
 - c. Adding new content according to the Principles and the Company’s practice, including:
 - Article 8: Establishing the sustainable development governance structure;
 - Article 9: Combining the employee performance evaluation system and the sustainable development policies and establishing a clear and effective incentive and discipline system;
 - Article 12: Assessing climate risks and opportunities and taking countermeasures; implementing greenhouse gas inventory and setting the scope of inventory based on the common standards in Taiwan and abroad; and developing carbon reduction strategies such as purchasing green electricity;
 - Article 14: Developing human rights-related management policies and procedures;
 - Article 21: Developing the supplier management policy; and
 - Article 21: Setting the scope of information disclosure of sustainable development.
- C. The comparison table of amendments to the Company's " Guidelines for Sustainable Development " and the amended version are attached hereto as Attachment 5.

(Noted)

4. Ratification Items

Proposal 1

Proposed by the board of directors

Proposal: Business Reports and Financial Statements for year 2021.

Explanation:

- A. The 2021 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 2022 and examined by the Audit Committee.
- C. The 2021 Business Reports and Financial Statements are attached hereto as Attachment 1 and Attachment 6.

(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 9,683,806,048. The voting result revealed that 8,834,037,749 votes were cast in favor of the proposal (including 3,890,055,065 votes cast electronically), accounting for 91.22% of the total attending voting shares, whereas 843,943 votes were cast opposing the proposal (including 843,943 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 . 848,924,356 votes were abstained or refrained (including 848,856,117 votes cast electronically), accounting for 8.78% 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 2021 earnings.

Explanation:

- A. The beginning retained earnings of the year 2021 was NTD7,801,401,718, and then it was adjusted by adding NTD 962,568,905 on the disposal of investments in equity instruments measured at fair value through other comprehensive income, adding NTD 58,025,501 on the 2021 remeasurement of defined benefit plans, adding 2021 after-tax profit of NTD 16,211,005,253 and setting aside legal reserve of NTD 1,723,159,966, the distributable retained earnings became NTD23,309,841,411.
- B. Based on the Articles of Incorporation, proposal for distribution of 2021 earnings is as follows,
 - a. Cash dividends of Common Stock: NTD9,016,843,285 (NTD0.8 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. Stock dividends of Common Stock: NTD1,127,105,420 (NTD0.1 per share)

- c. Unappropriated retained earnings: NTD13,165,892,706.
- C. In accordance with Article 66-9 of the Income Tax Act, the net income and other comprehensive income of 2021 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 and stock 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 NTD888,000 were recognized as interest expense of 2021.
- F. This proposal was approved at the 3rd meeting of the 7th Term Board of Directors in 2022 and reviewed by the Audit Committee.
- G. The Distribution of 2021 earnings is attached hereto as Attachment 7.

Resolutions :

The number of shares represented by the shareholders present at the time of voting was 9,683,806,048. The voting result revealed that 8,844,477,486 votes were cast in favor of the proposal (including 3,900,494,802 votes cast electronically), accounting for 91.33% of the total attending voting shares , whereas 13,608,951 votes were cast opposing the proposal (including 13,608,951 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 . 825,719,611 votes were abstained or refrained (including 825,651,372 votes cast electronically), accounting for 8.53% 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 : Appropriation of 2021 undistributed earnings as capital through issuance of new shares

Explanation:

- A. The company's current paid-in capital is NTD112,810,541,060, with 11,281,054,106 shares in issuance (11,271,054,106 common shares and 10,000,000 preferred shares). It is proposed that 112,710,542 new shares be issued on the amount of NTD1,127,105,420 from distributable profit of 2021. Paid-in capital after new shares issuance will be NTD113,937,646,480.
 - a. Source of fund for the proposed increase of capital: Distribution profit of NTD1,127,105,420 for 2021. 112,710,542 new shares are to be issued with a

par value of NTD10 per share.

- b. Purpose of the proposed increase of capital: The increased capital will be used to enhance scale of capital and strengthen financial structure.
- c. Conditions of the proposed increase of capital:
 - a) The right and obligation of the new shares to be issued will be the same as the existing common shares.
 - b) The new shares will be distributed to the eligible shareholders as registered in the shareholders roster at the rate of 10 shares per 1,000 shares. The shareholders may combine their fractional shares to become one share, or the shareholders may be paid in cash for their fractional shares. The fractional shares will be accumulated and the Chairman is authorized to sell the fractional shares to identified individuals.
 - c) It is proposed that the Board of Directors be authorized to carry out appropriate actions in connection with the change of outstanding shares and stock dividend distribution rate, from buy back of the Company's outstanding shares or any other reasons.

B. Subject to regulatory approval, it is proposed the Board of Directors be authorized to decide the distributing date of the new shares or matters requested by regulators.

Resolution:

The number of shares represented by the shareholders present at the time of voting was 9,683,806,048. The voting result revealed that 8,759,927,157 votes were cast in favor of the proposal (including 3,815,944,473 votes cast electronically), accounting for 90.45% of the total attending voting shares , whereas 563,437 votes were cast opposing the proposal (including 563,437 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 . 923,315,454 votes were abstained or refrained (including 923,247,215 votes cast electronically), accounting for 9.55% 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 : Amendment to the Company's "Articles of Incorporation."

Explanation:

A. The amendment to the "Articles of Incorporation" is to cope with corporate development and comply with the Company Act and rulings promulgated or issued by the competent authorities.

B. The amendment is highlighted as follows:

Article 6: Pursuant to Article 36 of the Financial Holding Company Act, the Company

has added the item of financial holding, and the other items have been moved backwards in sequence.

Article 8: For the purpose of business development, the Company will increase its authorized capital to NTD 180 billion.

Article 9: Amended pursuant to Article 162 of the Company Act. To simplify stock publication and certify procedure, all shares of the Company shall have been signed and sealed by the director representing the Company, and be duly certified by the authenticated banks.

Article 13-1: This Article is added in accordance with Article 172-2 of the Company Act regarding that the shareholders' meeting can be held by means of visual communication network.

Article 36-1

a. To specify the scope of distributable dividends, the paragraph 2 is amended.

b. In accordance with the FSC Order No.

Financial-Supervisory-Securities-Corporate-1090150022, the paragraph 3 adds the content that if there is a cumulative net amount of other deductions from equity in a preceding period(s), the Company should preserve special reserve.

C. The comparison table of amendments to the Company's "Articles of Incorporation" 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 9,683,806,048. The voting result revealed that 8,551,840,621 votes were cast in favor of the proposal (including 3,607,857,937 votes cast electronically), accounting for 88.31% of the total attending voting shares , whereas 154,940,895 votes were cast opposing the proposal (including 154,940,895 votes cast electronically), accounting for 1.59% of the total attending voting shares . There was no spoilt vote , accounting for 0.00% of the total attending voting shares . 977,024,532 votes were abstained or refrained (including 976,956,293 votes cast electronically), accounting for 10.1% 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 3

Proposed by the board of directors

Proposal : Amendment to the Company's "Procedures for the Acquisition or Disposal of Assets."

Explanation:

A. The Company amended the "Procedures for the Acquisition or Disposal of Assets" (the Procedures) in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" (the Regulations) promulgated by the

Financial Supervisory Commission on January 28, 2022.

B. The amendment is highlighted as follows:

a. Strengthening the management of related party transactions:

The following provision was added: When the Company or any subsidiary that is not a domestic public company intends to acquire or dispose of real property from or to a related party and the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall not proceed until related information has been adopted in the shareholders' meeting, so as to protect the shareholders' rights. However, transactions between the Company and its subsidiaries or between its subsidiaries are exempt from the resolution of the shareholders' meeting. (Article 8)

b. Improving the quality of opinions issued by external experts:

(a) This amendment clearly defined the procedures and responsibilities binding external experts and deleted a word that accountants shall comply with the Statements on Auditing Standards: Professional appraisers and their officers, certified public accounts, attorneys, or securities underwriters that provide appraisal reports or opinions shall meet the requirements for accepting and examining cases and comply with the self-regulations of trade associations (Articles 5 and 6).

(b) Considering that the work performed by the aforesaid experts (i.e., issuing appraisal reports or opinions) is not the audit of financial statements, the word, "auditing," was changed to "examining" cases. To conform to the experts' appraisal on the sources and parameters used, the words, "completeness, correctness, and reasonableness" were changed to "appropriateness and reasonableness" of appraisal. (Article 6)

c. Relaxing the disclosure of some transactions:

(a) Given that the current transactions of domestic government bonds are exempt from announcement and declaration, this amendment exempted the transactions of foreign government bonds with a credit rating not lower than the country's sovereign credit rating from announcement. (Article 11)

(b) Given the simple nature of foreign government bonds and the similar nature of exchange-traded notes (ETN) and exchange-traded funds (ETF), this amendment exempted the subscription of foreign government bonds issued in the primary market or subscription or redemption of ETNs done by professional investors from announcement. (Article 11)

C. The comparison table of amendments to the Company's "Procedures for the Acquisition or Disposal of Assets" and the amended version, are attached hereto as Attachment 9.

Resolutions :

The number of shares represented by the shareholders present at the time of voting was 9,683,806,048 . The voting result revealed that 8,759,711,884 votes were cast in favor of the proposal (including 3,815,729,200 votes cast electronically), accounting for 90.45% of the total attending voting shares , whereas 565,567 votes were cast opposing the proposal (including 565,567 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 . 923,528,597 votes were abstained or refrained (including 923,460,358 votes cast electronically), accounting for 9.55% 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

- (1) Shareholder No. 546203 asked questions regarding the promotion and implementation of sustainable development, and the chairperson and dedicated management team answered his questions.
- (2) Shareholder No. 1186893 affirmed the Company's first quarter 2022 financial results and asked questions about the stock register & transfer service, and the chairperson answered his questions.

7. Adjournment : at 10:11 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