

Stock Code: 2897

O-Bank Co., Ltd.

2022 Annual General Meeting of
Shareholders
Agenda Handbook

(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.

June 17, 2022

O-Bank Co., Ltd.
Agenda Handbook for
2022 Annual General Meeting of Shareholders

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O-Bank Co., Ltd.
2022 Annual General Meeting of Shareholders

**Method of Convening the Meeting: Hybrid Shareholders' Meeting
(Physical, assisted with visual
communication)**

Time: 9 am, June 17 (Friday), 2022

Place: No. 75, Changxing St., Da'an Dist., Taipei City

**Sho-chieh Tsiang International Conference Hall, Chung-Hua
Institution for Economic Research (CIER)**

Visual communication platform used at the meeting:

**The visual communication platform provided by the Taiwan
Depository & Clearing Corporation (<https://www.stockvote.com.tw>)**

Procedure of meeting:

1. Meeting in session.
2. Address by Chairman.
3. Matters for reporting.
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5. Matters for discussion.
6. Extempore motion.
7. Meeting adjourned.

Matters for Reporting

Proposal No. 1 (Proposed by the Board of Directors)

Proposal: Business Report for 2021

Explanation: Please refer to Appendix III of this Handbook.

Proposal No. 2 (Proposed by the Audit Committee)

Proposal: Review Report of 2021 Financial Statements by the Audit Committee

Explanation: Please refer to the next page for the Audit Committee Review Report.

O-Bank Co., Ltd.
Audit Committee Report

The Board of Directors has compiled and submitted the Bank's consolidated and parent balance sheets, income statements, statements of changes in shareholders' equity, and cash flow statements for 2021 audited by certified public accountants Kuan-Hao Lee and Wang-Sheng Lin of Deloitte & Touche, business report, and statement of distribution of earnings to the 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 and submitted in accordance with Articles 14-4 and 14-5 of the *Securities and Exchange Act*.

Hank Lin
Convener of the Audit Committee
O-Bank Co., Ltd.

Date: March 16, 2022

Proposal No. 3 (Proposed by the Audit Committee)

Proposal: Report on the 2021 operation of the Audit Committee

Explanation:

The Audit Committee holds a total of 7 meetings in 2021. In addition to auditing the 2021 financial statements, operating report, and earnings distribution proposal presented by the Board of Directors and reviewing the Bank's operating policy, business strategies, and rules and regulations, the committee also undertook the following in 2021:

1. Review on Appointment or Renewal of CPA

Due to internal adjustments by Deloitte & Touche, since 2021, the CPAs were changed from Yin-Chou Chen and Wang-Sheng Lin to Kuan-Hao Lee and Wang-Sheng Lin. The appointment of the CPAs was approved by the Bank's 4th Audit Committee in its 12th meeting and 8th Board of Directors in its 12th meeting, confirming that the CPAs fulfilled the Bank's evaluation standards for independence and suitability.

2. The Effectiveness of Internal Control System

The Bank has issued "2021 O-Bank Co., Ltd. Statement on Internal Control System," approved and presented by the 4th Audit Committee in its 14th meeting and 8th Board of Directors in its 14th meeting on March 16, 2022. The Bank hereby certifies that except items listed in the Statement, the internal control and legal compliance systems, and information securities of all departments were effectively implemented during the year.

3. Communications and Risk Supervisions with the Bank's Chief Internal Auditor and CPAs

For the communications and risk supervisions between the Audit Committee, the Bank's chief internal auditor, and CPAs, please refer to Appendix IV of this Handbook.

4. This proposal was approved by the 8th Board of Directors in its 15th meeting.

Proposal No. 4 (Proposed by the Board of Directors)

Proposal: Distribution of Remunerations to Directors and Employees for 2021

Explanation:

1. The Bank shall, pursuant to Articles 22 and 32 of the *Articles of Incorporation* of the Bank, first deduct the amount preserved to cover accumulated losses from a given year's pretax profit before distribution of remunerations for directors and employees. Of the surplus, not more than 2.5% shall be set aside as remunerations for directors and 1-2.5% for employees.
2. It is proposed that the remunerations for directors and employees for 2021 are set aside as the following percentages and amounts:
 - (1) Remunerations for directors: Pursuant to Article 22 of the *Articles of Incorporation* of the Bank, 2.5% of the aforesaid surplus, or NT\$52,339,492, is to be set aside for the purpose. The remunerations shall be distributed among directors in proportion to their regular compensations and those who have been elected less than a year earlier shall be remunerated according to the proportion of the length of their service. Independent directors shall be excluded from this distribution of remunerations.
 - (2) Remunerations for employees: Pursuant to Article 32 of the *Articles of Incorporation* of the Bank, 1.25% of the aforesaid surplus, or NT\$26,169,746, is to be set aside for distribution in cash.
3. This proposal was approved by the 8th Board of Directors in its 14th meeting.

Proposal No. 5 (Proposed by the Board of Directors)

Proposal: Amendments to the Bank's *Corporate Social Responsibility Best Practice Principles*

Explanation:

1. According to the Taiwan Stock Exchange Corporation's order on December 7, 2021, it has renamed and adjusted some articles of the *Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies* and *Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies*, with the aim to expand the concept of corporate social responsibility to the practice of sustainable development. As such, the Bank is amending the *Principle* and renaming it to *Sustainable Development Best Practice Principles*. The amendments include Chapter 1 General Principles, Chapter 2 Implementation of Corporate Governance, Chapter 4 Enhancement of Customer Relationships, Chapter 5 Fostering a Sustainable Environment, and Chapter 8 Supplementary Provisions.
2. In addition, in accordance with Financial Supervisory Commission's Green Finance Action Plan 2.0 to push financial institutions to align with international trends on green finance, integrate environment, social and governance (ESG) factors into lending and investment businesses, implement ESG assessment mechanism, and bolster the development of sustainable development industries, it is proposed that the Bank adds Chapter 7 Green Finance Development to the *Principle*. (please refer to Appendix V of this Handbook for a comparison table of the original and amended articles)
3. This proposal was approved by the 8th Board of Directors in its 12th meeting.

Proposal No. 6 (Proposed by the Board of Directors)

Proposal: To Note for Record the Announcement Report of Article 25 of the *Banking Act*

Explanation:

1. This compliance report is made in accordance with the letter of January 31, 2012, ref. Jin-Guan-Yin-Kong-Zi No. 10060005191 issued by the Financial Supervisory Commission (FSC).
2. To ensure compliance with Article 25 of the Banking Act, the FSC asked banks to bring shareholder attention to provisions of the said article by making a report at the General Meeting of Shareholders of the year preceding a scheduled board of directors reelection.
3. In accordance with Paragraph 2, Article 25 of the Banking Act, the same person or same concerned party who singly, jointly, or collectively acquires more than 5% of a bank's outstanding voting shares shall report such fact to the competent authority within 10 days from the day of acquisition; the preceding provision applies to each cumulative increase or decrease in the shares of the same person or same concerned party by more than 1% thereafter.
4. In accordance with Paragraph 3, Article 25 of the Banking Act, the same person or same concerned party who intends to singly, jointly, or collectively acquire more than 10%, 25%, or 50% of a bank's outstanding voting shares shall apply for prior approval of the competent authority.
5. In the event that a shareholder of a bank violates Paragraph 2 or 3, Article 25 herein by failing to file a report with the Competent Authority with respect to his/her shareholding, or failing to acquire the approval of the competent authority to hold shares of the bank, in accordance with Paragraph 7, Article 25, the excess shares held by such same person or same concerned party shall not have voting rights and shall be disposed of within the given period prescribed by the Competent Authority. Such shareholder shall be subject to an FSC fine of not less than NT\$2 million and not more

than NT\$10 million pursuant to Paragraph 3, Article 128 of the Banking Act. In the event that such same person or same concerned party is elected director, supervisor, or any other responsible person's position, the FSC may at its discretion consider it a case applicable to Subparagraph 13, Article 3 of the *Regulations Governing Qualification Requirements and Concurrent Service Restrictions and Matters for Compliance by the Responsible Persons of Banks* and conclude that he/she has engaged in dishonest or improper activities and is thus unfit to serve as a responsible person of a bank.

6. The Bank has helped disseminate the foregoing provisions in the Shareholder Services section of its website. For relevant application and reporting forms, please refer to the Bank's website (<https://www.o-bank.com/about/investor/Shareholders/Legal-Disclosure>).
7. This proposal was approved by the 8th Board of Directors in its 15th meeting.

Matters for Ratification

Proposal No. 1 (Proposed by the Board of Directors)

Proposal: Business Report and Financial Statements of 2021

Explanation:

1. The Bank's Financial Statements of 2021, which certified public accountants Kuan-Hao Lee and Wang-Sheng Lin of Deloitte & Touche audited and for which they presented an unconditional opinion accordingly, and Business Report for 2021 (please refer to Appendices III and VI of this Handbook) were approved by the 8th Board of Directors in its 14th meetings and audited by the Audit Committee.
2. Shareholder ratification is respectfully requested.

Resolution:

Proposal No. 2 (Proposed by the Board of Directors)

Proposal: Distribution of Earnings for 2021

Explanation:

1. This proposal for distribution of 2021 earnings is made with a view to both meeting the Bank's developmental needs and maximizing shareholder interests (as shown in the table below).

(1) The Bank made NT\$1,840,841,989 in net income for the year 2021.

(2) Undistributed earnings adjustment items :

A. NT\$159,871,985 from disposal of investments in equity instrument designated as at fair value through other comprehensive income, with cumulative gains or losses directly transferred to retained earnings.

B. NT\$42,131,737 from adjustment of investment accounted for using equity method.

C. (NT\$2,426,000) from adjustment of remeasurements of defined benefit plans.

(3) NT\$612,125,913 from legal reserve appropriation (30%):

In accordance with the Jing-Shang-Zi-No. 10802432410 letter of the Ministry of Economic Affairs, the Bank took "the year's net income plus other items incorporated into the year's undistributed earnings" as the basis for setting aside its legal reserve.

(4) Provisions and reversal of compulsory special reserve:

A. Setting aside NT\$485,478,694 for special reserve in net deductions under the year 2021's "other equity" pursuant to Article 41 of the Securities and Exchange Act.

B. Making a NT\$725,557 reversal of special reserve to cover training expenses deemed necessary to accommodate fintech development or the Bank's operational needs.

(5) Reversal of voluntary special reserve not designated for specific purposes amounted to NT\$647,926,041.

- (6) Against the year's net income of NT\$1,840,841,989, earnings distributable after the aforesaid (2)-(5) adjustments came in at NT\$1,591,466,702.
- (7) Proposed Distribution of Earnings:
- A. Pursuant to Article 8-1 of the Bank's Articles of Incorporation, it is proposed to pay NT\$127,500,000 in cash dividends for preferred shares A (NT\$0.425 per share) and then NT\$819,145,290 in cash dividends for common shares (NT\$0.30 per share) in 2021.
 - B. The payout total of cash dividends is proposed on the basis of 2,730,484,301 common shares and 300,000,000 preferred shares of the Bank's outstanding issued capital stock as of the end of February 2022. It is proposed that the Board of Directors be authorized to adjust the dividend distribution ratio in the event of a change in outstanding issued capital stock on the record date derived from a capital increase or decrease, conversion of preferred shares, the buyback of any of the Bank's outstanding shares, or the transfer of the Bank's treasury stock to employees.
- (8) The portion of current year's net income plus other items incorporated into the year's undistributed earnings shall be distributed as a priority in the distribution of earnings.
- (9) The aforesaid calculations are presented in the Bank's 2021 earnings distribution table below.
- 2. Subject to approval of this proposed distribution of earnings for 2021 by this shareholders' meeting, it is proposed that the Board of Directors be authorized to determine the record date of the common and preferred stock dividend distribution.
 - 3. This proposal was approved by the 8th Board of Directors in its 14th meeting and audited by the Audit Committee.
 - 4. Shareholder ratification is respectfully requested.

Resolution:

O-Bank Co., Ltd.
Proposed Distribution of 2021 Earnings

Currency: NT\$

Net income	1,840,841,989
Plus/Less: Undistributed earnings adjustment items	
1. Disposal of investments in equity instrument designated as at fair value through other comprehensive income, with cumulative gains or losses directly transferred to retained earnings	159,871,985
2. Adjustment of investment accounted for using equity method	42,131,737
3. Adjustment of remeasurements of defined benefit plans	<u>(2,426,000)</u>
After-adjustment undistributed earnings	2,040,419,711
Less: Legal reserve appropriation (30%)	(612,125,913)
Less: Special reserve set aside—pursuant to Article 41 of the Securities and Exchange Act	(485,478,694)
Plus: Reversal of special reserve—training expenses for fintech development	725,557
Plus: Reversal of voluntary special reserve not designated for specific purposes	<u>647,926,041</u>
Earnings available for distribution	1,591,466,702
Distribution items:	
Preferred stock dividend	(127,500,000)
Common stock dividend -2,730,484,301 shares (NT\$0.30 per share)	<u>(819,145,290)</u>
Undistributed earnings as of the end of the period	<u><u>644,821,412</u></u>

Chairman: Lo, Tina Y.

President: Lee, Elton F.Y.

Accounting Officer: Tai, Hsin Yi

Matters for Discussion

Proposal No. 1 (Proposed by the Board of Directors)

Proposal: Amendments to the Bank's *Articles of Incorporation*

Explanation:

1. An earlier amendment to the Bank's Articles of Incorporation was already adopted by the Annual Shareholders' Meeting of June 19, 2020 and implemented accordingly. To accommodate the revised laws and regulations, it is proposed to amend some provisions of the Articles of Incorporation of the Bank. Please refer to Appendix VII of this Handbook for a comparison table of the original and amended articles :
 - (1) Article 11: In accordance with the amended Article 172-2 of the Company Act dated on 2021.12.29 to enable companies to hold visual communication shareholders' meeting and to specify the applicable laws and regulations regarding the convening of the special shareholders' meeting, this article is thus amended.
 - (2) Article 32-1 : In accordance with the principles of 2021.3.31 Jin-Guan-Zheng-Fa-Zi Order No. 1090150022, it shall be stipulated in the Bank's articles of incorporation that "other previously accumulated net deductions from shareholders' equity" shall be set aside an equal amount of reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period. In addition, the threshold and basis for distribution of common stock dividend shall be clearly defined. This article is thus amended.
 - (3) Article 34 : The date and ordinal number of another amendment are added.
2. The proposal was approved by the 8th Board of Directors in its 15th meeting.
3. Shareholder approval is respectfully requested.

Resolution:

Proposal No. 2 (Proposed by the Board of Directors)

Proposal: Amendments to the Bank's *Procedural Rules Governing Shareholders Meetings*

Explanation:

1. The amendments are made in accordance with Paragraph 2, Article 182-1 of the *Company Act*.
2. An earlier amendment to the Bank's Procedural Rules Governing Shareholders Meetings was already adopted by the Annual Shareholders' Meeting of July 20, 2021 and implemented accordingly, and the relevant articles in the "Regulations Governing the Administration of Shareholder Services of Public Companies" revised and published by the FSC on March 4, 2022, stipulate that public companies may convene shareholders' meetings via visual communication pursuant to the amended Article 172-2 of the Company Act. To meet to the needs in the digital age and provide shareholders convenient ways to participate in the shareholders' meeting, it is proposed to amend the Bank's Procedural Rules Governing Shareholders Meetings in accordance with the principles of 2022.3.8 TWSE Order to adjust *Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings*. Please refer to Appendix VIII of this Handbook for a comparison table of the original and amended articles.
3. In addition, according to the amendment explanation of Article 44-9 of the aforesaid *Regulations Governing the Administration of Shareholder Services*, within one year after the revised Regulations published on March 4, 2022 (hereinafter "the transition period"), companies convening hybrid shareholders' meetings shall be approved by special resolutions at the Board of Directors meeting and may be exempted from the restrictions to have it written in their articles of incorporation. However, companies must have it written in their articles of incorporation after the transition period in order to protect shareholders' rights. Considering the fact that the Board of Directors may approve the convening of the hybrid shareholders'

meetings in the aforesaid transition period, the Bank's *Procedural Rules Governing Shareholders Meetings* to be amended during the transition period may be approved by special resolutions at the Board of Directors meeting. That is, it is not mandatory to be approved by shareholders' meetings. According to the aforesaid explanation, the Bank may follow the amended Procedural Rules Governing Shareholders Meetings approved by special resolutions at the Board of Directors meeting for its 2022 shareholders' meeting; however, it shall be specified that if the amended Procedural Rules are to take effect next year, the Bank shall still propose such Procedural Rules to the shareholders' meeting this year.

4. The proposal was approved by the 8th Board of Directors in its 15th meeting.
5. Shareholder approval is respectfully requested.

Resolution:

Proposal No. 3 (Proposed by the Board of Directors)

Proposal: Amendments to the Bank's *Procedures for Assets Acquisition or Disposal*

Explanation:

1. An earlier amendment to the Bank's *Procedures for Assets Acquisition or Disposal* was already adopted by the Annual Shareholders' Meeting of June 14, 2019 and implemented accordingly. In accordance with the revised Regulations Governing the Acquisition or Disposal of Assets by Public Companies promulgated by the Financial Supervisory Commission (FSC) in its order of January 28, 2022, Jin-Guan-Zheng-Fa-Zi No. 1110380465, it is proposed that the Bank revises its *Procedures for Assets Acquisition or Disposal*. Please refer to Appendix IX of this Handbook for a comparison table of the original and amended articles:
 - (1) Article 5: in order to clarify the procedures and responsibilities to be followed by external experts, it is stipulated that when the external experts issue appraisal reports or opinions, in addition to handling relevant operations required when undertaking and executing cases, they shall follow the self-regulatory rules of the respective associations. Also, some wordings are amended.
 - (2) Article 7 to 9: considering that Article 5 is amended to require external experts to issue opinions and follow the self-regulatory rules of the respective associations, the provision regarding the certified public accountants' compliance with the executing procedure when issuing the opinions is included. Thus, the wording that certified public accountants shall comply with the provisions of Statement of Auditing Standards is deleted.
 - (3) Article 12: in order to strengthen the management of related-party transactions, it is stipulated that, for the acquisition or disposal of assets with a related party by the Bank or its subsidiary that is not a domestic public company, if the transaction amount reaches 10% of the total assets of the Bank, the Bank shall

submit relevant materials to the shareholders' meeting for approval before proceeding the contract signing and payment in order to protect shareholders' rights and interests. However, for the dealing of the Bank or subsidiary, or the dealing between its subsidiaries, the transaction is exempted from the resolution of the shareholders' meeting.

- (4) Article 24: the relaxation is made so that some reporting items were exempted from making public announcements.
2. The proposal was approved by the 8th Board of Directors in its 15th meeting.
 3. Shareholder approval is respectfully requested.

Resolution:

Proposal No. 4 (Proposed by the Board of Directors)

Proposal: Proposal for Release of Non-competition Restrictions on Directors of the Board

Explanation:

1. While the Bank's directors invest in or manage other companies with the same or a similar scope of business and act as directors thereof, it is proposed to invoke Paragraph 1, Article 209 of the *Company Act* "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval." and release them from non-competition restrictions on condition that they do not undermine the Bank's interests.
2. While the release of non-competition restrictions on members of the Bank's 8th Board of Directors was already approved by the 2020 and 2021 General Shareholders' Meetings, it is proposed that the release applies to other new positions that have since taken (shown in the table below).

Director	Position at the Bank	Positions at other companies
Taiwan Cement Corporation	Juridical-person Director	Chairman, International CSRC Investment Holdings Co., Ltd.

3. The proposal was approved by the 8th Board of Directors in its 14th meeting.
4. Shareholder approval is respectfully requested.

Resolution:

Extempore Motion

Appendix I

O-Bank Co., Ltd. Procedural Rules Governing Shareholders' Meetings

Instituted on July 12, 1999

Amended by General Shareholders' Meeting of June 14, 2013

Amended by General Shareholders' Meeting of June 2, 2015

Amended by General Shareholders' Meeting of June 14, 2017

Amended by General Shareholders' Meeting of June 19, 2020

Amended by General Shareholders' Meeting of July 20, 2021

Article 1

Pursuant to Article 5 of the *Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies*, these *Procedural Rules Governing Shareholders' Meetings* (the "Rules") are adopted for the purposes of establishing a sound governance system for shareholders' meetings, building well-rounded supervisory capabilities, and strengthening management capabilities.

Article 2

Unless otherwise provided by applicable laws and regulations or the Company's *Articles of Incorporation*, the shareholders' meetings of the Company shall be held in accordance with the Rules set forth below.

Article 3

Unless otherwise provided by applicable laws or regulations, the shareholders' meetings of the Company shall be convened by the Board of Directors.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of directors, and upload them onto the Market Observation Post System (MOPS) not fewer than 30 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplemental meeting materials and upload them onto the MOPS not fewer than 21 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders' meeting. In addition, not fewer than 15 days before the date of a shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda handbook and supplemental meeting materials and made them available for review by shareholders at any time. The aforesaid meeting agenda handbook and supplemental materials shall also be displayed at the Company and the shareholder services agent designated thereby as well as distributed at the meeting place.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting and the essential contents shall be explained in the notice. None of the aforesaid matters may be raised by an extempore motion.

Where a reelection of the Board of Directors and the date of its assuming office are specified in the notice of reasons for convening the shareholders' meeting, the said meeting shall not alter this date of assuming office by an extempore motion or any other means after the given reelection has been completed.

A shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Shareholders may

submit proposals for urging the Company to promote public interests or fulfill its social responsibilities. In accordance with Article 172-1 of the Company Act, such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a general shareholders' meeting is held, the Company shall publicly announce that it will accept shareholder proposals in writing or electronically and specify the location and time period for their submission; the period for submission of shareholder proposals shall not be fewer than 10 days..

Shareholder proposals are limited to 300 words in writing, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the general shareholders' meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of its screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals from the meeting agenda.

Article 4

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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 the Company not fewer than five 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.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or by electronic means, a written notice of proxy cancellation shall be submitted to the Company not fewer than two days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a shareholders' meeting shall be the premises of the Company 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 independent directors with respect to the place and time of the meeting.

Article 6

The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations are to be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (the "shareholders") shall present attendance cards, sign-in cards, or other certificates of attendance to attend shareholders' meetings. The Company shall 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.

The Company shall provide attending shareholders with an attendance book to sign in for the meeting, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall also provide attending shareholders with a meeting agenda handbook, an annual report, an attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, preprinted ballots shall also be furnished.

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.

Article 7

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chair, the vice chairman shall act in place of the chair; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman of the board shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic-person director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairman of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party that is not the Board of Directors but has the power to convene, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8

The Company shall, beginning from the time it accepts shareholder attendance registrations, make an uninterrupted video and audio recording of the entire process of a shareholders' meeting, including the registration procedure, the proceedings of the meeting, and the voting and vote-counting procedures.

The aforesaid video and audio recording shall be retained for a minimum of one year. If a lawsuit has been instituted by any shareholder in accordance with Article 189 of the *Company Act*, however, the Company shall retain the aforesaid recording until the conclusion of the litigation.

Article 9

Attendance at shareholders' meetings shall be calculated based on the number 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 in writing or by electronic means.

The chair shall call the meeting to order at the appointed time, and announce the number of shares with no voting right and the number of shares held by the attending shareholders. 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 not more than two such postponements, for a combined total of not 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.

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 one month.

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*.

Article 10

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The proposals, including the extempore motions

and the amendment to the original matters, shall be voted on by poll. The meeting shall proceed in the order set by the agenda, which shall not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party that is not the Board of Directors but has the power to convene.

The chair shall not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of these Rules, the other members of the board shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then resume the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to be voted on, the chair may announce the discussion closed to call for a vote and allow sufficient time to vote.

Article 11

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 shall 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 that given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder shall not speak more than twice on the same proposal, and a single speech shall not exceed 5 minutes. If the shareholder's speech violates relevant regulations or exceeds the scope of the agenda item in question, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders shall 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 instruct relevant personnel to respond.

Article 12

Voting at a shareholders' meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder shall not vote on that item, and shall not exercise voting rights for any other shareholder by proxy.

The number of shares for which voting rights shall not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy shall not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the *Company Act*.

When the Company holds a shareholders' meeting, it shall adopt electronic means for shareholders to exercise their voting rights and may allow them to exercise such rights in writing. When voting rights are exercised in writing or by electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights in writing or by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extempore motions and amendments to original proposals of that meeting; it is therefore advisable that the Company refrains from presenting extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights in writing or by electronic means under the preceding paragraph shall deliver a written declaration of intent to the

Company not fewer than two 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 in writing or by electronic means, in the event that the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, not fewer than two days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has both exercised voting rights in writing or by electronic means and appointed a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the *Company Act* and in the Company's *Articles of Incorporation*, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be uploaded onto the MOPS.

If no objection is voiced after solicitation by the chair, a resolution shall be deemed adopted and shall have the same effect as if it had been put to a vote. If objection is indeed voiced (including the exercise of voting rights in writing or by electronic means to indicate objection or abstention), the case shall be put to a vote.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any of them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on the spot, and a record made of the vote.

Article 14

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on the spot immediately, including the names of those elected as directors and the numbers of votes with which they are elected, and the names of those not elected as directors and the number of votes received by them.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the *Company Act*, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed electronically.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement uploaded onto the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, a summary of the deliberations and voting results (including the statistical weight), as well as the number of votes obtained by each electee in the event of a Board of Directors election, and shall be retained for the duration of the existence of the Company.

For the resolution methods referred to in the preceding paragraph, a resolution shall be recorded as "the resolution was adopted based on the unanimous concurrence of shareholders" if no objection was voiced after solicitation by the chair. If objection is indeed voiced, however, the voting approach and the number of votes with which the resolution in question was adopted as well as their percentage of the total number of issued shares shall be specified in the resolution method.

Article 16

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation as well as the number of shares represented by proxies, and shall make a disclosure of the same at the place of the meeting.

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, the Company shall upload the content of the resolution in question onto the MOPS within the prescribed time period.

Article 17

Staffers handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.

The chair may direct proctors or security guards to help maintain order at the meeting. The aforesaid proctors or security guards shall wear an identification card or armband marked the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates these Rules and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder out of the meeting.

Article 18

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting is to be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the *Company Act*.

Article 19

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Appendix II

O-Bank Co., Ltd. Articles of Incorporation

Amended by the General Shareholders' Meeting of June 19, 2020

Chapter I: General Provisions

Article 1: This Bank has been established for the purposes of promoting industrial development, fostering industrial and commercial prosperity, creating an environment beneficial to all, and providing the public with comprehensive, specialized, and innovative financial services. It has been incorporated in line with the government's financial policy and in accordance with provisions of the Company Act and Banking Act.

Article 2: The name of the Bank shall be O-Bank Co., Ltd.

Article 3: The head office of the Bank shall be in Taipei City. Depending on business needs, branch entities may be established at suitable locations in Taiwan and abroad. The establishment, cancellation, or change of any of the foregoing branch entities by a commercial bank requires approval of the Board of Directors and approval of and registration with the competent authority.

Article 4: All public announcements by the Bank shall be made in daily newspapers circulated at the seat of the Bank's head office, unless otherwise provided for by the authority in charge of securities.

Chapter II: Scope of Business

Article 5: The Bank operates commercial banking business (Code: H101021/limited to items approved by the competent authority), securities brokerage business (Code: H301011/limited to items approved by the competent authority), personal insurance agency business (Code: H601011), and property and liability insurance agency business (Code: H601021).

Article 6: With respect to its investment total while engaging in investment business, the Bank shall not violate the *Banking Act* and regulations of the competent authority governing investment by commercial banks.

Chapter III: Shares

Article 7: The total authorized capital of the Bank shall be NT\$35 billion, divided into 3.5 billion shares with a par value of NT\$10 each and including common and preferred shares. The Board of Directors is authorized to, in accordance with the Company Act and applicable laws and regulations, issue such shares in installments if necessary. The source of capital contribution by shareholders is limited to cash only. The Bank may issue employee share subscription warrants and 200 million shares of the foregoing capital stock shall be set aside for the purpose of issuing such warrants.

Article 8: (delete)

Article 8-1: The rights and obligations of the Bank's preferred shares as well as other important terms of issuance are as follows:

1. If a surplus remains after the Bank closes its books for a given year, the Bank shall, in accordance with its *Articles of Incorporation*, first set aside funds for taxes and offset the accumulated losses from previous years, make provisions for legal reserve, and register allocation or reverse of special reserve before giving priority to using the remainder in distributing cash dividends for preferred shares for the year.
2. The dividend rate of preferred shares is capped at 8% per annum on the issue price. Cash dividends shall be distributed as lump-sum payments annually. After the Bank's general shareholders' meeting ratifies its audited financial statements for a given year, the Board of Directors shall set the record date for paying the cash dividends that are to be distributed for the previous year. With respect to distribution of cash dividends for the year of issuance and year of redemption, the amount of payable dividends shall be calculated based on the actual number of days of the aforesaid shares being in issuance that year.
3. The Bank has autonomous discretion on distribution of cash dividends for preferred shares. If the Bank's audited results of a given year show no surplus or a surplus insufficient for distribution of cash dividends for preferred shares, or if distribution of cash dividends will cause the Bank's capital adequacy ratio to fall short of legal requirements or the minimum required by the competent authority, the Bank's decision to cancel distribution of cash dividends for preferred shares shall not be regarded as an event of default. If the preferred shares issued by the Bank are specified as non-cumulative, the undistributed dividends or shortfalls in dividends distributed will not be cumulative and therefore no deferred payment will be paid in subsequent years when there is a surplus in earnings.
4. While being entitled to the cash dividends prescribed in subparagraph 2 of this article, holders of preferred shares—if their holdings are of the non-participating type—shall not be entitled to distribution of cash or stock dividends for common shares drawing from retained earnings and capital surplus.
5. In terms of entitlement to distribution of the Bank's residual assets, holders of preferred shares shall take precedence over holders of common shares. With their order of priority subordinate to that of general creditors, holders of the Bank's different types of preferred shares shall rank *pari passu* without any preference among themselves and their entitlement shall be capped at the monetary amount of preferred shares issued.

6. At shareholders' meetings, holders of preferred shares are denied voting rights and rights to elect directors but are entitled to be elected as directors themselves. Holders of preferred shares have voting rights at meetings of preferred shareholders.
7. Convertible preferred shares issued by the Bank shall not be converted within one year after issuance. The Board of Directors is authorized to specify in the terms of issuance the time period during which conversion is to be allowed. Holders of convertible preferred shares may, pursuant to the terms of issuance, apply for conversion of all or part of their holdings to common shares on a 1-for-1 basis. After the exercise, the newly converted shares shall entail the same rights and obligations as those applicable to common shares. Distribution of cash dividends for the year of conversion shall be calculated based on the actual number of days in issuance proportionate to the total number of days of the year in question. If the aforesaid conversion to common shares takes place prior to the record date for going ex-dividend, however, shareholders shall not be entitled to distribution of cash dividends for preferred shares for that year and the year after. Still, such shareholders shall be entitled to distribution of dividends for common shares drawing from retained earnings and capital surplus.
8. Where the Bank issues perpetual preferred shares, holders of such shares shall be denied the right to request redemption of their holdings by the Bank. For its part, the Bank may set a redemption date not earlier than the day after the fifth anniversary of the issuance date. Redemption of previously issued preferred shares, in whole or in part, shall be conducted at the original issue price. The remaining and outstanding preferred shares shall retain the rights and obligations described in the preceding paragraphs. If the Bank resolves on distribution of cash dividends for preferred shares for the year of redemption, such distribution shall be based on the number of days in issuance up to the date of redemption.
9. Where the Bank issues non-perpetual preferred shares, their term shall not be shorter than five years and holders of such shares shall have no right to request their redemption by the Bank. Upon expiry of such shares or beginning from the day after the fifth anniversary of the issuance date, the Bank may, pursuant to the issue price and terms of issuance, redeem such shares in cash, issue new shares to accommodate compulsory conversion on a 1-for-1 basis, or effect redemption by other means permitted under other laws or regulations. If the Bank should fail to redeem all or part of the aforesaid preferred shares due to force majeure or other reasons within the aforesaid time period, the rights and obligations of the outstanding preferred shares shall remain unchanged until their redemption by the Bank.

The Board of Directors is authorized to take into account market conditions and investor sentiment and determine the name, issuance date, and other issuance terms of preferred shares in accordance with the Bank's *Articles of Incorporation* and applicable laws and regulations.

Article 9: With respect to share transfers, no rights shall be asserted against the Bank if the name and domicile or residence of the transferee are not recorded in the shareholders' roster.

Within 60 days prior to the convocation of a general shareholders' meeting, or 30 days prior to the convocation of a special shareholders' meeting, or five days prior to the record date for declaration of dividends or any other interests, share transfer registrations and other changes to the shareholders' roster shall be suspended.

Article 10: Each shareholder of the Bank shall complete a seal specimen card and submit the same to the Bank for filing, and this shall apply to any change to the seal specimen. The seal specimen kept by the Bank shall be the basis for shareholders to collect dividends or bonuses or exercise shareholder rights in writing.

All stock affairs of the Bank shall be undertaken in accordance with the *Regulations Governing the Administration of Shareholder Services of Public Companies* promulgated by the competent authority.

Chapter IV: Shareholders' Meetings

Article 11: The shareholders' meetings of the Bank shall include the following two types:

1. General shareholders' meetings: Held annually at the seat of the Bank's head office, a general shareholders' meeting shall be convened by the Board of Directors within six months after the end of each fiscal year.
2. Special shareholders' meetings: Unless otherwise provided for by the *Company Act*, a special shareholders' meeting is to be convened by the Board of Directors when it is deemed necessary. Shareholders who have held a total of not less than 3% of the Bank's total number of issued shares for not less than one year may request the Board of Directors to convene such a meeting in writing that specifies proposals to be addressed and the reasons thereof.

A meeting of preferred shareholders may be convened in accordance with applicable laws and regulations.

Article 12: The Bank shall notify each shareholder and make a public announcement of the date, venue, and reasons for a general shareholders' meeting 30 days in advance, or 15 days in advance if it is a special shareholders' meeting being convened.

Article 13: Unless otherwise provided for by law, a shareholders' meeting shall adopt a resolution after it is voted for by the majority of attending shareholders and the attending shareholders represent more than half of the total number of issued shares.

Article 14: Unless otherwise provided for by applicable laws and regulations and the Bank's *Articles of Incorporation*, a shareholder shall be entitled to one vote for each share held.

When the Bank holds a shareholders' meeting, it shall adopt electronic means for shareholders to exercise their voting rights and may allow them to exercise such rights in writing. When voting rights are exercised in writing or by electronic means, the method of exercise shall be specified in the shareholders' meeting notice.

Article 15: Any shareholder who cannot attend a shareholders' meeting in person for any reason may entrust a representative to attend on behalf thereof by presenting a proxy form issued by the Bank, specifying the scope of authorization. When one person is concurrently appointed as proxy by two or more shareholders, however, the voting rights represented by that proxy shall not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

The aforesaid proxy form shall be delivered to the Bank not fewer than five 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.

After a proxy form has been delivered to the Bank, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or by electronic means, a written notice of proxy cancellation shall be presented to the Bank not fewer than two days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 16: More than one person is allowed to represent a juristic-person shareholder, provided the voting rights of such representatives are exercised based on their combined shareholding. Where there are more than two representatives, such representatives shall jointly exercise their voting rights.

Article 17: The shareholders' meetings of the Bank shall resolve the following matters:

- (1) Establishment or amendment of the Bank's *Articles of Incorporation*.
- (2) Election and dismissal of directors.
- (3) Auditing and ratification of the statements and reports prepared by the Board of Directors.

- (4) Increases or decreases in capital stock.
- (5) Distribution of earnings, dividends, and bonuses.
- (6) Other matters that shall be resolved by shareholders' meetings in accordance with applicable laws and regulations.

Article 18: When a shareholders' meeting convenes, it shall be chaired by the chairman of the Board. When the chairman of the Board is absent for any reason, the vice chairman shall act in place of the chair; if there is no vice chairman or the vice chairman is also absent, the chairman of the Board shall appoint one of the managing directors to act as chair; if there are no managing directors, the chairman of the Board shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to act as chair.

Article 19: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced electronically and distributed by means of a public announcement.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Bank.

The attendance book meant for attending shareholders and the proxy forms shall be retained for a minimum of one year. If a lawsuit has been instituted by any shareholder in accordance with Article 189 of the Company Act, however, the Bank shall retain the aforesaid documents until the conclusion of the litigation.

Chapter V: Directors and the Board

Article 20: The Bank shall have 7 to 15 directors who are to make up the Board and the Board shall decide the number of directors in the range ; The candidates nomination system is adopted for the election of directors; directors shall be elected from a list of candidates by a shareholders' meeting.

Of the foregoing number of directors, the number of independent directors shall not be fewer than three and shall not account for less than one-fifth of the total number of directors.

The handling of matters regarding professional qualifications, shareholdings, limits on concurrent positions, nomination and election methods, and other matters for compliance in relation to independent directors shall be subject to applicable laws and regulations.

Article 21: The combined shareholdings of all directors shall not fall short of the share ownership ratios required by the competent authority.

Article 22: Directors shall each hold office for a term of three years and shall be eligible for re-election.

If no election of new directors is effected after expiration of the term of office of existing directors, the term of office of outgoing directors shall be extended until the time new directors have been elected and assumed their office.

The Bank shall provide compensation to directors (including independent directors) for the performance of their duties on behalf of the Bank, regardless of whether the Bank makes a profit or not. The Board of Directors shall be authorized to determine such compensation in line with industry standards on the basis of their degree of participation in the Bank's operations and value of their contribution to the Bank.

If the Bank records a profit in a year, the Bank shall appropriate not more than 2.5% of the profit for director remunerations, but independent directors shall be excluded from such distribution. If the Bank has accumulated losses, however, the aforesaid profit shall be used to offset accumulated losses first.

The Bank may, upon a resolution of the Board of Directors, purchase liability insurance to cover indemnification obligations of directors arising from performing their duties during their tenure of office.

The Board of Directors may give full authority to the chairman to renew the aforesaid insurance.

Article 23: When the Bank has 9 to 15 directors, it may have 3 to 5 managing directors who are to make up the Board of Managing Directors. The managing directors shall be elected from among the directors by a majority vote of the directors present at a meeting attended by at least two-thirds of all directors. The chairman shall be elected from among the managing directors in the same fashion; a vice chairman shall also be thus elected if it is deemed necessary.

Of the aforesaid number of managing directors, the number of independent directors shall not be fewer than one and shall not account for less than one-fifth of the total number of managing directors.

If the Bank has no managing directors, the Board of Directors shall elect a chairman of the board from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman of the board when necessary.

Article 24: The chairman of the board shall internally preside at shareholders' meetings as well as Board of Directors and Board of Managing Directors meetings, and shall externally represent the Bank. When the chairman of the board is

on leave or for any reason unable to exercise his/her powers, the vice chairman shall act in his/her place. If there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise his/her powers, the chairman of the board shall appoint one of the managing directors to act on his/her behalf. If there are no managing directors, the chairman of the Board shall appoint one of the directors to act on his/her behalf. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to act as chair.

Article 25: The Board of Directors is composed of all directors and convened by the chairman of the board. Unless otherwise provided for by applicable laws and regulations, the Board of Directors shall adopt resolutions by a majority vote of the directors present at a meeting attended by a majority of all directors.

Each director shall attend Board of Directors meetings in person but, if he/she is unable to do so for any reason, may appoint another director as proxy. In each such case, the absent director shall issue a written proxy and state therein the scope of authorization with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the aforesaid proxy of only one other director.

Article 26: Except the matters subject by law to resolutions adopted by shareholders' meetings, the Bank shall conduct business operations in accordance with resolutions adopted by the Board of Directors. The duties and powers of the Board of Directors are as follows:

- (1) Examine and approve rules and regulations.
- (2) Examine and approve business plans.
- (3) Propose increases or decreases in capital stock.
- (4) Decide on establishing, canceling, or changing branch outlets.
- (5) Examine major contracts.
- (6) Examine and approve budgeting and book-closing.
- (7) Decide on acquiring or disposing of major assets; ensure compliance with Article 185 of the *Company Act* when warranted.
- (8) Propose distribution of earnings.
- (9) Approve major lending and business cases.
- (10) Decide on appointment and dismissal of managers.
- (11) Appoint CPAs.
- (12) Examine and approve matters assigned by the chairman of the board and those proposed by the president.

(13) Implement resolutions adopted by shareholders' meetings.

(14) Undertake other duties and powers under applicable laws and regulations.

To promote sound decision-making and strengthen management mechanisms, the Board of Directors may establish various functional committees and adopt their respective charters thereof.

Article 27: When the Bank has managing directors and the Board of Directors is in recess, managing directors shall, by assembly, perform the duties and powers of the board on a regular basis, and the chairman of the board may convene meetings at any time. Resolutions of such meetings shall be adopted by a majority vote of the managing directors present at a meeting attended by a majority of all managing directors.

With respect to the Board of Managing Directors performing the duties and powers of the Board of Directors referred to in the preceding paragraph, the scope of authorization thereof shall be determined in accordance with applicable laws and regulations, these Articles, and resolutions adopted by shareholders' meetings and the Board of Directors. The aforesaid scope of authorization shall specify the level and content of affairs being authorized. With respect to matters that are required by applicable laws to undergo discussion at the Board of Directors, however, it shall be mandatory to secure resolutions of the Board of Directors.

Article 28: The Bank shall set up the Audit Committee, which shall be composed of the entire number of independent directors. Its members shall not be fewer than three, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. The committee's duties and powers as well as other compliance matters shall be handled in accordance with applicable laws and regulations or the relevant bylaws of the Bank.

Since the Bank has established the Audit Committee, the Bank is not required by law to have supervisors separately.

Chapter VI: Managers

Article 29: The Bank shall have the position of president, whose appointment, dismissal, and compensation shall be proposed by the chairman of the board and require a majority vote of the directors present at a meeting attended by a majority of all directors.

Article 30: The Bank shall have a number of vice presidents to assist the president in conducting its business operations. Their appointment and dismissal shall be proposed by the chairman of the board together with the president and require a majority vote of the directors present at a meeting attended by a majority of all directors. Separately, the Bank shall have a chief auditor to handle all audit affairs; his/her appointment, dismissal, or transfer shall be handled in accordance with applicable laws or regulations.

Chapter VII: Closing of Books and Distribution of Earnings

Article 31: The fiscal year of the Bank is from the first of January every year to the thirty first of December of the same year. At the end of each fiscal year, the Bank shall prepare the following reports and statements and, after examination by the Board of Directors, submit them to a shareholders' meeting for ratification according to statutory procedure:

- (1) Business report.
- (2) Financial statements.
- (3) Proposals for distribution of earnings or compensation for losses.

The Bank shall undertake mid-year closing of books pursuant to applicable laws and regulations at the end of June every year.

The Bank shall prepare and submit the aforesaid annual and semi-annual financial statements to the competent authority and make a public announcement on the same.

Article 32: If the Bank records a profit in a year, the Bank shall set aside 1-2.5% of the profit for employee remunerations. If the Bank has accumulated losses, however, the profit shall be used to offset the aforesaid accumulated losses first.

Distribution of employee remunerations in stock or cash shall require a resolution adopted through a majority vote of the directors present at a meeting attended by not less than two-thirds of all directors, which in turn shall be reported to a shareholders' meeting. The employees entitled to the aforesaid remunerations may include those employed by the Bank's affiliated companies who meet specific requirements.

Article 32-1: If there is a profit after its annual closing of books, the Bank shall first set aside funds for taxes and offset the accumulated losses from previous years before appropriating 30% of the profit toward its legal reserve. No appropriation shall be required if the Bank's legal reserve already equals the total amount of its paid-in capital. After appropriation or reverse of any special reserve and distribution of cash dividends for preferred shares, if a profit remains, the outstanding balance together with undistributed earnings from previous years shall be used as the basis for the Board of Directors to propose distribution and seek a resolution of a shareholders' meeting thereof.

The distribution of common stock dividend shall not be lower than 20% of distributable earnings after deducting distributable but not yet distributed preferred stock dividends for the current year. In particular, the cash dividend payout shall account for not less than 20% of the total common stock dividend payout for any given year. Separately, before the legal reserve equals the total amount of capital stock, the maximum cash

distribution of earnings shall not exceed 15% of the total amount of paid-in capital.

With regard to the foregoing distribution of common stock dividends, the Bank adopts a policy of stability and balance that takes into account capital budget planning, capital needs for business operations, and commitment to a sound financial structure. In particular, the cash dividend payout shall account for not less than 20% of the total dividend payout for any given year. The aforesaid method of dividend distribution is intended only as a principle-based guideline; the Bank may consider actual needs and, via the Board of Directors, propose an amendment and seek shareholder approval in the form of a resolution adopted by a shareholders' meeting.

Chapter VIII: Supplemental Provisions

Article 33: Matters not stipulated herein shall be governed by the Company Act, Banking Act, and other applicable laws and regulations.

The Banks' charter, business guidelines, and standards for the division of authority between the Board of Directors and managerial departments as well as other relevant regulations shall be separately prescribed by the Board of Directors.

Article 34: These *Articles of Incorporation* were enacted on June 22, 1998, with the 1st amendment on July 12, 1999; the 2nd amendment on April 8, 2000; the 3rd amendment on August 19, 2000; the 4th amendment on May 22, 2001; the 5th amendment on May 30, 2002; the 6th amendment on June 11, 2004; the 7th amendment on June 10, 2005; the 8th amendment on June 9, 2006; the 9th amendment on June 15, 2007; the 10th amendment on June 19, 2009; the 11th amendment on June 18, 2010; the 12th amendment on June 13, 2011; the 13th amendment on June 18, 2012; the 14th amendment on June 14, 2013; the 15th amendment on June 2, 2015; the 16th amendment on October 2, 2015; the 17th amendment on June 3, 2016; the 18th amendment on June 14, 2017; the 19th amendment on June 14, 2018; and the 20th amendment on June 19, 2020.

Appendix III

Business Report for 2021

1. Business Activities

The Bank mainly operates the following businesses:

- Acceptance of various types of deposits.
- Issuance of financial bonds.
- Handling of loans, discounts, and acceptances.
- Handling of domestic and foreign exchange services.
- Handling of domestic and foreign guarantee services.
- Issuance of domestic and foreign L/Cs.
- Agency collection and payment services.
- Investment in and underwriting of securities.
- Proprietary trading of bonds.
- Factoring services.
- Provision of financial consulting connected with financing and non-financing services.
- Wealth management services.
- Acting as an agent for personal insurance and property insurance.
- Handling of debit card services.
- Handling of guarantee services connected with export and import foreign exchange, outward and inward remittances, foreign currency deposits and loans, and foreign currency guaranteed payments.
- Handling of services permitted under the Trust Enterprise Act.
- Handling of financial derivatives services.
- Handling of other services approved by the competent authority.

Key Business Area	Major Business Activity
Corporate Banking Services	Provision of corporate/juristic-person financial products and services: lending and deposit, corporate foreign exchange and international finance, project, corporate financial advisory services, and corporate cash management and e-Banking services, etc.
Retail Banking Services	Provision of personal financial products and services: lending and deposit, digital retail banking services, payment, insurance, wealth management, etc.
Trust Business	Trust, securitization, trust asset management, etc.
Investment Business	Financial products and securities trading, and direct investment.
Investment under Equity Method	Please refer to this annual report “Review of Financial Conditions, Operation Results, and Risk Management” for investment details.

Weight of Business Profits

Unit: NT\$ thousands

Item	Year	2021		2020	
		Amount	%	Amount	%
Net interest income		2,210,295	40	1,914,583	41
Net fee income		804,356	15	583,947	13
Gains or losses on financial assets (liabilities) at fair value through profit or loss		135,585	2	(840,982)	(18)
Gains from sale of fair value through other comprehensive income financial assets		267,977	5	257,439	6
Net gain or loss on exchange		598,310	11	1,642,073	35
Impairment loss on assets		(4,851)	-	(3,704)	-
Share of profit or loss of subsidiaries and affiliated businesses accounted for using equity method		1,415,994	26	990,158	21
Net profit apart from interest		83,634	1	107,962	2
Net income		5,511,300	100	4,651,476	100

Weight of Major Business Operations

Unit: NT\$ thousands

Asset	2021.12.31	Percentage (%)	Percentage Increase (Decrease) from the previous year	2020.12.31	Percentage (%)
Loans- Corporate Banking	131,921,275	41.87	(4.68)	138,400,828	42.09
Loans- Retail Banking	27,124,718	8.61	(2.07)	27,699,465	8.42
Investment	118,571,863	37.63	(2.36)	121,440,257	36.93
Investment under Equity Method	17,334,821	5.50	4.79	16,542,108	5.03

Unit: NT\$ thousands

Revenue	2021	Percentage (%)	Percentage Increase (Decrease) from the previous year	2020	Percentage (%)
Corporate Banking Services	2,604,276	47.25	2.12	2,550,201	54.83
Investment	1,288,828	23.39	32.51	972,631	20.91
Investment under Equity Method	1,415,994	25.69	43.01	990,158	21.29
Others	202,202	3.67	46.01	138,486	2.98
Net Income	5,511,300	100.00	18.48	4,651,476	100.00

Note: the numbers in 2020 is re-categorized due to the change of high-quality liquid assets (HQLA) categories in 2021.

Volume of Foreign Exchange:

Unit: US\$ thousands

Item	2021	Percentage (%)	Percentage Increase (Decrease) from the previous year	2020	Percentage (%)
Import (Issuance of L/C;DA;DP)	359,595	1.35	184.91	126,212	0.69
Export (Negotiation;Collection; DA;DP)	83,439	0.31	94.26	42,953	0.24
Remittance (Outward;Inward)	26,244,889	98.34	45.37	18,054,029	99.07
Total	26,687,923	100	46.45	18,223,194	100

Trust Asset:

Unit: NT\$ thousands

Item	2021.12.31	Percentage (%)	Percentage Increase (Decrease) from the previous year	2020.12.31	Percentage (%)
Monetary	8,926,186	73.01	9.09	8,182,562	57.39
Real Estate	3,299,237	26.99	(45.69)	6,075,235	42.61
Total	12,225,423	100	(14.25)	14,257,797	100

Note: The item is categorized under Trust Enterprise Act, Article 16.

2. Business Review

The Bank's domestic business locations included its Business Department Headquarters, Zhongxiao Dunhua Branch, Taoyuan Branch, Hsinchu Branch, Taichung Branch, and Kaohsiung Branch. In addition, the competent authority approved the establishment of regional service units in Taipei, Taoyuan, Taichung, Tainan, and Kaohsiung for corporate banking and business banking affairs; apart from promoting this Bank's financial products, these service units also provide all-round financial services to clients throughout northern, central, and southern Taiwan. Our first overseas branch (Hong Kong Branch) opened in April 2009; this branch has since extended our financial products and services platform to Hong Kong and the Greater China area, thereby serving local clients and Taiwanese-invested enterprises from a close distance and promoting win-win outcomes through long-term cooperation characterized by mutual trust and reciprocity.

(1) Credit Extension

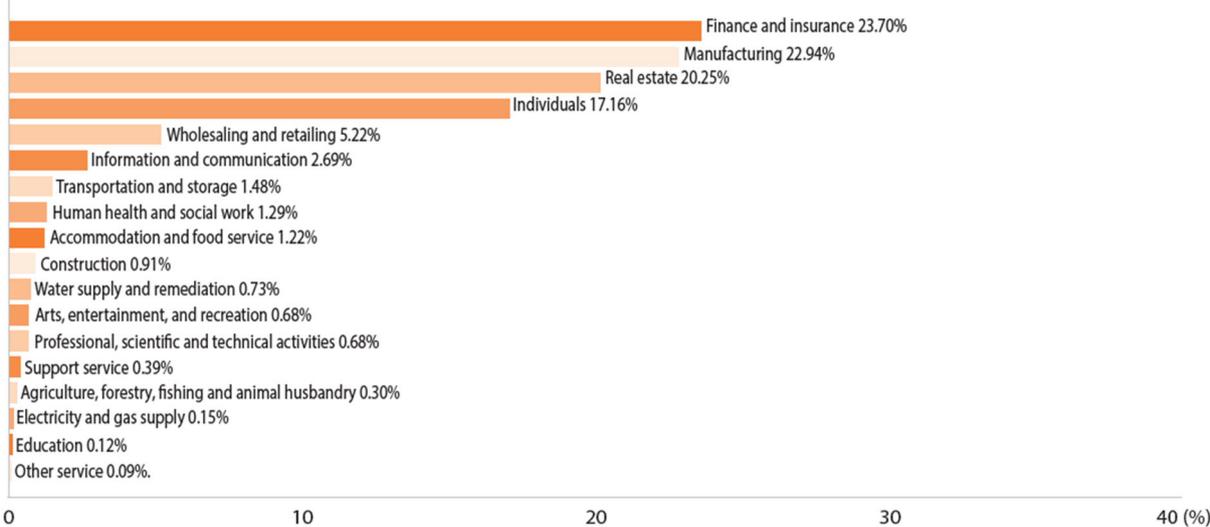
In 2021, the Bank made aggressive inroads into the personal banking sector while continuing to actively cultivate clients in Taiwan and abroad for its corporate banking services. In order to cater to different customer sectors, the Bank developed a wide

range of loan products that truly meet customer needs. To keep up growth momentum, the Bank placed emphasis on further digitizing marketing endeavors and catering to funding needs of existing customers. All this bore fruit in the form of a 42% year-over-year increase in newly extended loans. In line with government policy, the Bank shouldered its social responsibility by offering lenient flexibilities to borrowers who had been furloughed or suffered otherwise due to the Covid-19 pandemic.

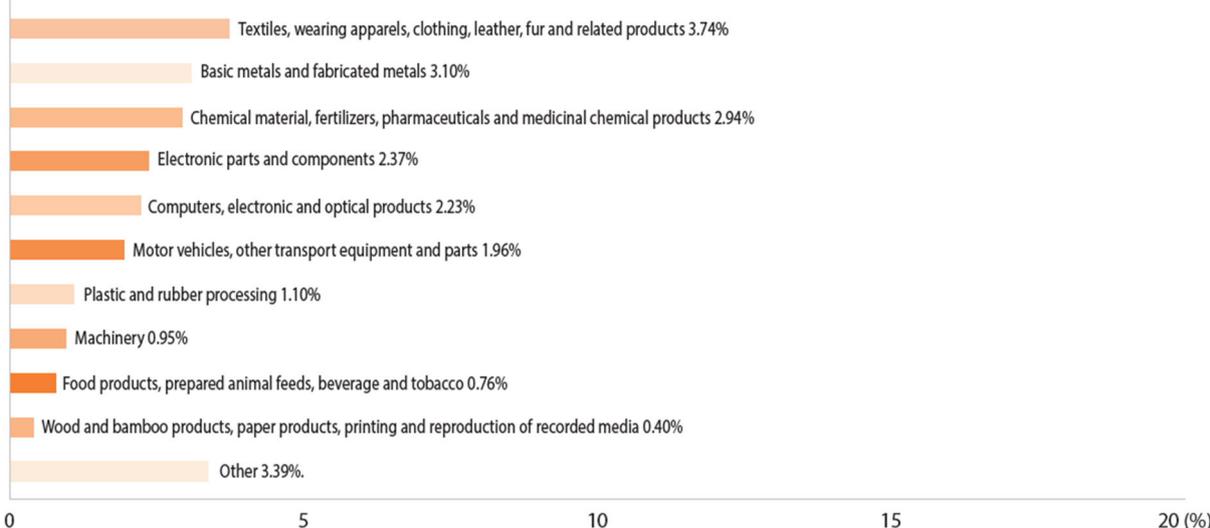
In 2021, given an external environment marked by global uncertainty, the Bank would rather adopt a prudent approach toward expanding its corporate banking business. Rather than seeking a major increase in lending, the objective was to make the best of the limited interest spread and grow fee income while keeping credit risk under control.

By Standard Industrial Classification of Directorate General of Budget, Accounting and Statistics, the Bank's 2021 overall credit risk exposure came in at NT\$197.1 billion, including loans, factoring, receivable acceptance, guarantee, and receivable L/C amounts; NT\$185.7 billion, excluding that fully secured by the Bank's certificates of deposit. Of these numbers, the financial and insurance industry category accounted for the greatest share of our credit risk exposure at 23.70%. Next came the manufacturing industries category with 22.94%, the real estate industry with 20.25%, the individuals with 17.16%, the wholesaling and retailing industry with 5.22%, the information and communication industry with 2.69%, the transportation and storage industry with 1.48%, the human health and social work industry with 1.29%, the accommodation and food service industry with 1.22%, the construction industry with 0.91%, the water supply and remediation industry with 0.73%, the arts, entertainment and recreation industry with 0.68%, the professional, scientific and technical activities industry with 0.68%, the support service industry with 0.39%, the agriculture, forestry, fishing and animal husbandry industry with 0.30%, the electricity and gas supply industry with 0.15%, the education industry with 0.12%, the other service industry with 0.09%. Within the manufacturing sector, the textiles, wearing apparels, clothing, leather, fur and related products industry recorded the greatest credit risk exposure of 3.74%, followed by the basic metals and fabricated metals industry with 3.10%, the chemical material, fertilizers, pharmaceuticals and medicinal chemical products industry with 2.94%, the electronic parts and components industry with 2.37%, the computers, electronic and optical products industry with 2.23%, the motor vehicles, other transport equipment and parts industry with 1.96%, the plastic and rubber processing industry with 1.10%, the machinery industry with 0.95%, the food products, prepared animal feeds, beverage and tobacco industry with 0.76%, the wood and bamboo products, paper products, printing and reproduction of recorded media industry with 0.40%, and other industry with 3.39%.

The credit risk exposure, excluding that fully secured by the Bank’s certificates of deposit, at the end of 2021:



The credit risk exposure within the manufacturing sector (22.94%):



We are actively cultivating new clients in Taiwan and abroad. To seek stable growth and diversify operating risk, we are proactive to consolidate our existing customer base and make inroads into the niche segment of mid-market enterprises, which promises to make an important foundation for promoting various co-marketing undertakings.

Syndicated loans have always been the mainstay of our lending business. The Bank established the Corporate Finance Department to provide customized, quick and precise financing solutions to clients, raise funds for them, and help them solve critical problems. Our target customers are mainly based in the Greater China area (Taiwan and Hong Kong) from all business sectors. Coming with a full spectrum of funding solutions, the Bank is ready to share growth with domestic and international businesses. Furthermore, with refined and professional services, not only does the

Bank help corporates keep growing, but also boost its own competitiveness in the market.

In 2021, companies retained a prudent approach toward operation and investment due to the global economic uncertainty amid the Covid-19 pandemic. Alongside a gradual decrease in syndicated loans, it was increasingly difficult to secure lead bank status, especially when most businesses are applying for low-interest loans to cover operation costs. Yet, on top of a solid customer base built over the years, the Bank always prides itself on being a “boutique bank” that refrains from vying for small margins, stays focused on the referral from corporate clients and from affiliates with growth prospects, offers corporate clients financing strategies tailored to their financial planning, develops such businesses as green energy and environmental protection in line with future trends at home and abroad, and continues to expand its financing business on ESG sustainability.

(2) Deposits

As of the end of 2021, the Bank's outstanding balance of NT dollar and foreign currency deposits, excluding export remittances, came in at approximately NT\$238.1 billion. For the sake of both liquidity and security, the Bank gives priority to deposit stability. As such, emphasis is placed on diversifying the maturities of time deposits while actively soliciting demand deposits and small and medium-sized enterprises (SMEs) deposits to bring down capital costs.

The Bank's various personal deposit products and services have something in common: they are all driven by customer needs. These include online opening of NT dollar and foreign currency digital accounts without visiting a physical branch, NT dollar and foreign currency demand and time deposits, children's accounts, foreign exchange swap, various payment, and “Mobile Number is Account Number” transfer services. We seek to meet clients' cash management and funds allocation needs via both digital and physical channels.

(3) Foreign Exchange and Offshore Banking

We continued to offer trade financing services and give priority to maintaining a reasonable interest spread in our foreign exchange financing operations. In 2021, the Bank's import and export business recorded a modest growth from the change of business strategies, and the exchange amount continued to grow steadily.

With regard to offshore banking, the Bank offered DBU and OBU services across the Taiwan Strait while further strengthening services to clients that have established multinational operations centers so that they could secure the funds needed for offshore operations. Meanwhile, the Bank responded to the rapid development of trade across the Taiwan Strait by enhancing the quality of service to Taiwanese firms, thereby fostering business development and attracting even more business opportunities.

(4) Direct Investment

The Bank adopted a proactive approach to disposing of its direct investment portfolio after obtaining permission from the Financial Supervisory Commission to become a commercial bank in March 2015. As of the end of 2021, all such divestments had been completed except two cases.

(5) Financial Product Trading

The Bank's financial product trading operations include financial product transactions and marketing. We trade foreign exchange and fixed-income products as well as their derivatives, while our financial product marketing services chiefly refer to those meant to provide clients with various financial products and services and financial hedging instruments. In 2021, the Bank secured the go-ahead to launch non-principal protected structured products composed of foreign currency equity options, foreign currency interest rate swaps, and foreign currency interest rate swap options linked to foreign currency principals, as well as to have its DBU/OBU trade bonds while engaging concurrently in securities business.

The coronavirus pandemic kept its grip on the world in 2021. Many countries directly or indirectly phased in a "living with Covid-19" strategy, however, as vaccination gained momentum and reduced the occurrence of severe disease among the infected. Economic conditions improved and inflation expectations increased accordingly, prompting major central banks to signal readiness for tightening. In particular, the Fed began scaling back bond purchases late in the year. The Bank continued to strengthen its overall risk management, monitor market value assessments, optimize trading systems and internal management protocols, strengthen training of salespeople and managerial officers, and make preparations for new operations and products. Thanks to prudent risk management, the Bank was able to fare reasonably well in fixed-income operations even as rate hike expectations added to upside risk for yields.

(6) Securities Trading

The Bank's securities business chiefly consists of investment in the shares of domestic companies listed on the Taiwan Stock Exchange and Taipei Exchange. The year 2021 saw governments around the world continue pumping easy money to boost economies as the Covid-19 pandemic persisted. This ample liquidity fueled a global bull run led by U.S. equities. Taiwan was certainly not immune to the pandemic, and the Taiex retreated to 15,160 or so in May. But solid fundamentals, especially substantial gains in exports, drove a strong rebound that closed the year at 18,218, wrapping up an annual increase of 3,486 (23.66%). For its part, the Bank scored an exceptional profit of over NT\$500 million for the year.

(7) Project Finance

Project finance encompasses project financing and financial advisory. Project financing chiefly provides private companies with a wide range of project financing and project development services. We provide comprehensive project financial planning, investment feasibility assessment, structuring of syndicated project loans, transfer of

trust beneficiary rights, drafting of strategies for contract negotiations, and assistance with the acquisition of funds to participate in equity investments. Our financial advisory services are meant to provide clients with tailor-made solutions, that is, consulting with regard to corporate consolidation and M&As, debt arrangement, reorganization, fund-raising, M&A financing, and tax planning.

(8) Trust Business

When it comes to trust business, the Bank mainly aims to develop trust, securitization, and asset management services. Our trust services focus on monetary and real estate trust; our securitization services are geared toward developing various kinds of securitized products; and our asset management services are mainly aimed at helping clients allocate assets and build well-rounded portfolios.

With regard to mutual funds, we are earnest to create comprehensive product lines. Emphasis is also placed on promoting “Robot Advisory”: big data analytics is adopted to help clients optimize investment portfolios that strike a balance between flexibility and security for their asset allocations.

As of the end of 2021, the outstanding balance of assets entrusted to the Bank came in at NT\$12.2 billion, a year-over-year decrease of NT\$2.0 billion.

(9) Cash Management and e-Banking

Since 2018, the Bank has upgraded both tangible and intangible aspects to optimize its remittances and transfer services. Its corporate internet banking and other products help customers conclude massive transactions in no time. By staying flexible to offer customized services, the Bank was able to help corporate clients reduce financial and manpower costs and enhance transaction efficiency. This stride toward meeting a growing variety of customer needs certainly contributed to strengthening customer loyalty. The Bank’s corporate e-Banking platform recorded a total of online transactions to 497,220 in 2021.

Meanwhile, as the market became increasingly digitized, we introduced a digital corporate banking platform to support our customer relationship management (CRM) on corporate clients in 2021. This platform strengthens our sales, management, and efficiency across the Bank. Also promoted was a dynamic security verification mechanism for transactions by fax, a move meant to make the Bank’s payment service more efficient. Furthermore, we initiated an automated confirmation-handling mechanism to deliver automatic output. The new initiative proved effective in enhancing efficiency and reducing operating risk. In terms of collection outlets, convenience stores are added to the Bank’s collection services network with a view to attracting more deposits and cashflows.

In terms of deposits products, to keep up with the business banking development, our launch of Demand Deposits Campaigns for SMEs and startups was followed by Preferential Time Deposits Campaign for small enterprises in 2021, thereby offering diverse choices of fund allocation to the business banking clients.

(10) Digital Retail Banking Services

- **Electronic Banking Services:** We provide secure and convenient online/mobile banking services, and our user-friendly interface and convenient functions allow users to easily check their accounts, make transfers, sell or buy foreign exchange, pay fees, perform mutual fund transactions, “Robot Advisory,” and conduct various other operations. We also offer 24-hour video customer service: our customers are invited to take advantage of all manner of financial services anytime, anywhere.
- **Digital Wealth Management Services:** We provide a wide range of wealth management products, including mutual funds, back-end load mutual funds, and “Robot Advisory.” In addition, the option of Taiwan dollar and foreign currency is provided, to meet the diverse customer needs. We also provide customers with online KYC evaluation platform to help them invest on products that suits their own needs.

(11) Payment Services

- **Card Payment Services:** In addition to debit cards with hundreds of personalized card designs for customers to choose from, we continued to provide co-branded and affinity cards issued in conjunction with members in the consumer markets, chain restaurants, public welfare entities, schools, electronic stored value card operators, etc. Featuring specific debit card discounts, cash rebate and zero-risk card use, they rightly give cardholders peace of mind.
- **Electronic Payment Services:** We have provided customers with the service of immediate deductions from their accounts when they make use of such payment platforms as GAMA PAY, JKOPAY, and Linepay Money. As such, we are poised to give customers richer possibilities as to where they can conduct transactions and support a greater number of payment instruments.

(12) Insurance Services

Teaming up with PCA Life, we have introduced protection-oriented life insurance, medical insurance, accident insurance, NTD/foreign currency savings-oriented insurance, and NTD/foreign currency investment-linked insurance products. Through face-to-face marketing, and other channels, we provide a wide range of products and services to ensure that customers have access to the best-fitting insurance in different stages of their lives. Apart from bring out the spirit of protection through insurance, the Bank’s offering of professional insurance service is reciprocated in the customers’ trust and loyalty.

(13) Wealth Management Services

With our consultants serving the individuals and business owners separately, the Bank provides customers with tailor-made financial products and advisory services, including deposits, investment products, insurance products, and tax and asset arrangement. We provide a full spectrum of services in a bid to attract high-end customers so as to broaden and deepen their interaction with the Bank.

Appendix IV

Communications and risk supervisions between the Audit Committee, the Bank's chief internal auditor, and CPAs.

1. In addition to submitting updates of its work to independent directors, the Auditing Division communicates with independent directors at audit seminars held twice a year.

The summary of the communication through individual meetings in 2021 is as follows:

Date	Means	Counterparty	Subject	Outcome
2021.2.24	The 4 th Audit Committee in its 6 th meeting	Independent directors and Chief Auditor	Report on Improvements Based on Examination Opinions (Table B) with respect to the 2020 routine examination undertaken by the Financial Supervisory Commission of the Bank's conducting of business (follow-up)	Approved for reference
			The Bank's conducting audit operations in 2020	Approved for reference
2021.3.22	The 4 th Audit Committee in its 7 th meeting	Independent directors and Chief Auditor	The Bank's Internal Control System Statement for 2020 (including the Bank's concurrent conducting of insurance agent business)	No objection; submitted to the Board of Directors for examination
			CPA report on the Bank's implementation of negotiations with regard to its internal control system in 2020 (including the Bank's concurrent conducting of insurance agent business)	Approved for reference
2021.5.5	The 4 th Audit Committee in its 8 th meeting	Independent directors and Chief Auditor's deputy	The Bank's conducting audit operations in the first quarter of 2021	Approved for reference
			Amendment to the Bank's 2021 audit plan	No objection; submitted to the Board of Directors for examination
2021.8.20	The 4 th Audit Committee in its 10 th meeting	Independent directors and Chief Auditor	Report on Improvements Based on Examination Opinions (Table B) with respect to the 2019 routine examination undertaken by the Financial Supervisory Commission of the Hong Kong's conducting of business (follow-up)	Approved for reference
			The Bank's conducting of audit operations in the first half of 2021	Approved for reference
			Special audit report on the Bank's outsourcing of its SFDC cloud services in 2021	Approved for reference
2021.11.3	The 4 th Audit Committee in its 11 th meeting	Independent directors and Chief Auditor	Report on Improvements Based on Examination Opinions (Table B) with respect to the 2020 routine examination undertaken by the Financial Supervisory Commission of the Bank's conducting of business (follow-up)	Approved for reference
			The Bank's conducting of audit operations in the third quarter of 2021	Approved for reference

Date	Means	Counterparty	Subject	Outcome
2021.12.29	The 4 th Audit Committee in its 12 nd meeting	Independent directors and Chief Auditor	Results of the Bank's evaluation of subsidiaries done by audits in 2021	No objection; submitted to the Board of Directors for examination
			The Bank's audit plan for 2022	No objection; submitted to the Board of Directors for examination
			The Bank's 2022 Internal Audit Plan for Concurrent Conducting of Insurance Agent Business	No objection; submitted to the Board of Directors for examination
			Amendment to the Bank's Regulations for Handling Whistleblower Reports	No objection; submitted to the Board of Directors for examination
			Results of the Bank's evaluation of internal units done by audits in 2021	Approved for reference
			Report on the Bank's routine audit of outsourcing its SFDC cloud service platform in 2021	Approved for reference
			Report on Improvements Based on Examination Opinions (Table B) with respect to the 2019 routine examination undertaken by the Financial Supervisory Commission of the Hong Kong's conducting of business (follow-up)	Approved for reference
			Report on Improvements Based on Examination Opinions (Table B) with respect to the 2020 routine examination undertaken by the Financial Supervisory Commission of the Bank's conducting of business (follow-up)	Approved for reference

A summary of the communication between directors (including independent directors) and the chief internal auditor in 2021 is as follows:

Date	Means	Counterparty	Subject	Outcome
2021.2.24	A seminar on audit affairs	Director (including independent director), Chief Auditor and Auditing Division personnel	Review of the Bank's internal control system deficiencies for the second half of 2020	1. Implemented as proposed 2. The meeting minutes approved by the 8 th Board of Directors in its 7 th meeting on March 22, 2021.
2021.8.20	A seminar on audit affairs	Director (including independent director), Chief Auditor and Auditing Division personnel	Review of the Bank's internal control system deficiencies and supervision of auditing operations at overseas branches in the first half of 2021	1. Implemented as proposed 2. The meeting minutes approved by the 8 th Board of Directors in its 11 th meeting on November 3, 2021.

2. The Bank's CPAs keep up effective communication and discussion with independent directors during either the Audit Committee's quarterly meetings or individual meetings, separate conferences, thereby keeping the latter informed of the scope of financial statements being reviewed and their plan for and scope of any forthcoming audit, as well as any update to applicable laws and regulations.

A summary of the communication between CPAs and independent directors as well as the reports presented therein in 2021 is as follows:

Date	Means	Counterparty	Subject	Outcome
2021.3.22	The 4 th Audit Committee in its 7 th meeting	Independent directors, CPAs and Finance & Accounting Department managers	Auditing of 2020 consolidated and parent financial statements and key audit items	No objection; submitted to the Board of Directors for examination
2021.5.5	The 4 th Audit Committee in its 8 th meeting	Independent directors, CPAs and Finance & Accounting Department managers	Reviewing of consolidated financial statements for the first quarter of 2021	No objection; submitted to the Board of Directors for examination
2021.8.20	Individual Meeting	Independent directors and CPAs	Auditing of consolidated and parent financial statements for the first half of 2021 and key audit items, and 2021 audit plan.	Unanimous approval
	The 4 th Audit Committee in its 10 th meeting	Independent directors, CPAs and Finance & Accounting Department managers	Auditing of consolidated and parent financial statements for the first half of 2021 and key audit items	No objection; submitted to the Board of Directors for examination
2021.11.3	Individual Meeting	Independent directors and CPAs	Reviewing of consolidated financial statements for the third quarter of 2021	Unanimous approval
	The 4 th Audit Committee in its 11 th meeting	Independent directors, CPAs, Operation Management Division manager and Finance & Accounting Department managers	Review report of consolidated financial statements for the third quarter of 2021	No objection; submitted to the Board of Directors for examination

Note: Due to the adjustment in the Bank's organization, the original Financial Management Department is renamed to Finance & Accounting Department, and the original Chief Operating Officer is adjusted to the Head of Operation Management Division.

3. Risk Supervision

The Audit Committee reviews the risk limits that call for board approval, risk appetites, and risk management mechanism to supervise and review the implementation of the risk management, thereby ensuring the effectiveness and completeness of the Bank's risk management procedures.

Appendix V

O-Bank Co., Ltd. Corporate Social Responsibility Best Practice Principles:

Comparison Table of Original and Amended Articles

Amended Article	Original Article	Explanation
<i>O-Bank Co., Ltd. <u>Sustainable Development</u> Best Practice Principles</i>	<i>O-Bank Co., Ltd. <u>Corporate Social Responsibility</u> Best Practice Principles</i>	The <i>Principle</i> is amended in accordance with the principles of 2021.12.7 Taiwan Stock Exchange Corporation(TWSE) Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i> .
Chapter 1 General principles Article 1 By acting in the spirit of " fulfilling oneself by benefiting others ," O Bank fulfills our corporate social responsibilities (CSR) by fostering the sustainability of the economy , society , and environment. Toward this end, O-Bank hereby adopts the " <i>O-Bank Co., Ltd. <u>Sustainable Development</u> Best Practice Principles</i> ," which were drafted with reference to the <u>Sustainable Development</u> Best Practice Principles for TWSE/ TPEX Listed Companies."	Chapter 1 General principles Article 1 Based on the faith of "Fulfilling Oneself by Benefiting Others," O-Bank fulfills our corporate social responsibilities (CSR) by fostering the sustainability of economy, society, and environment. Toward this end, O-Bank hereby adopts the " <i>O-Bank Co., Ltd. <u>Corporate Social Responsibility</u> Best Practice Principles</i> ," which were drafted with reference to the " <u>Corporate Social Responsibility</u> Best Practice Principles for TWSE/TPEX Listed Companies."	Same as above.
Article 2 O-Bank strives to maintain the interests of stakeholders and employs a diverse range of channels to collect and respond to <u>sustainable development</u> issues of concern to	Article 2 O-Bank strives to maintain the interests of stakeholders and employs a diverse range of channels to collect and respond to <u>CSR</u> issues of concern to stakeholders. Moreover, while	Same as above.

Amended Article	Original Article	Explanation
<p>stakeholders. Moreover, while seeking sustainable business operations and profits, O-Bank shall also incorporate <u>sustainable development</u> issues into our corporate governance policy and our routine operations in order to keep in step with international development trends and make a greater contribution to the national economy.</p>	<p>seeking sustainable business operations and profits, O-Bank shall also incorporate <u>CSR</u> issues into our corporate governance policy and our routine operations in order to keep in step with international development trends and make a greater contribution to the national economy.</p>	
<p>Article 3 O-Bank, acting in accordance with the materiality principle, shall carry out environmental, social, and governance (ESG) risk assessments, adopt related management policies and strategies, and pursue sustainable business practices by fulfilling the following <u>six</u> main aspects of CSR:</p> <ol style="list-style-type: none"> 1. Corporate Governance 2. Employee Care 3. Customer Relationships 4. Environmental Protection 5. Social Engagement <u>6. Green Finance</u> 	<p>Article 3 O-Bank, acting in accordance with the materiality principle, shall carry out environmental, social, and governance (ESG) risk assessments, adopt related management policies and strategies, and pursue sustainable business practices by fulfilling the following <u>five</u> main aspects of CSR:</p> <ol style="list-style-type: none"> 1. Corporate Governance 2. Employee Care 3. Customer Relationships 4. Environmental Protection 5. Social Engagement 	<p>Subparagraph 6 is added in accordance with the Green Finance Action Plan 2.0 by Financial Supervisory Commission (FSC).</p>
<p>Article 4 To ensure sound <u>sustainable development</u> management, O-Bank has established a Sustainable Development Section under <u>the</u> Corporate Communications Department. Also, acting in accordance with the "<i>Organizational Charter for the Corporate Social Responsibility Committee</i>," O-Bank has set up a Corporate Social Responsibility Committee, which is composed of the</p>	<p>Article 4 To ensure sound <u>CSR</u> management, O-Bank has established a Sustainable Development Section under Corporate Communications Department. Also, acting in accordance with the "<i>Organizational Charter for the Corporate Social Responsibility Committee</i>," O-Bank has set up a Corporate Social Responsibility Committee, which is composed of the supervisors of relevant</p>	<ol style="list-style-type: none"> 1. In accordance with FSC's Green Finance Action Plan 2.0, the Green Finance Subcommittee is established under the Bank's Corporate Social Responsibility Committee. 2. The wording is amended in accordance with the

Amended Article	Original Article	Explanation
<p>supervisors of relevant company units, to be responsible for drafting and implementing <u>sustainable development</u> policies and plans in <u>the areas of</u> Corporate Governance, Employee Care, Customer Relationships, Environmental Protection, Social Engagement, <u>and Green Finance</u> and periodically reporting to the Board of Directors on our work.</p>	<p>company units, to be responsible for drafting and implementing <u>CSR</u> policies and plans in Corporate Governance, Employee Care, Customer Relationships, Environmental Protection, and Social Engagement and periodically reporting to the Board of Directors on our work.</p>	<p>principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i>. 3. The wording “The Bank” is amended to “O-Bank” for consistency.</p>
<p>Article 5 The O-Bank <u>Sustainable Development</u> Code, which under <u>Sustainable Development</u> Best Practice Principles, are the following: (The subsequent paragraphs are omitted.)</p>	<p>Article 5 The O-Bank <u>Corporate Social Responsibility</u> Code, which underpin <u>Corporate Social Responsibility</u> Best Practice Principles, are the following: (The subsequent paragraphs are omitted.)</p>	<p>The wording is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i>.</p>
<p>Chapter 2 Implementation of Corporate Governance Article 6 O-Bank shall, out of respect for the rights and interests of stakeholders, identify our stakeholders and establish a designated section for stakeholders on our website; understand the reasonable expectations and demands of stakeholders through proper communication and stakeholder engagement; and adequately respond to the important <u>sustainable development</u> issues about which stakeholders are concerned.</p>	<p>Chapter 2 Implementation of Corporate Governance Article 6 O-Bank shall, out of respect for the rights and interests of stakeholders, identify our stakeholders and establish a designated section for stakeholders on our website; understand the reasonable expectations and demands of stakeholders through proper communication and stakeholder engagement; and adequately respond to the important <u>CSR</u> issues about which stakeholders are concerned.</p>	<p>Same as above.</p>

Amended Article	Original Article	Explanation
<p>Article 9</p> <p>The Directors of O-Bank shall exercise the duty of due care, urge O-Bank to <u>achieve sustainable development</u>, critically assess the effectiveness of actions, and push O-Bank <u>to make</u> ongoing improvements to ensure the <u>implementation of sustainable development policies</u>. It is also advisable that O-Bank fully consider stakeholders' interests by taking various actions, including the following:</p> <ol style="list-style-type: none"> 1. Make <u>sustainable development</u> the guiding principle of O-Bank's operations and development. 2. Identify O-Bank's <u>sustainable development mission</u>, vision and value, and formulate <u>sustainable development</u> policy declaration. 3. Ensure the suitability of <u>sustainable development</u>-related information disclosures. <p>(The subsequent paragraphs are omitted.)</p>	<p>Article 9</p> <p>The Directors of O-Bank shall exercise the duty of due care, urge O-Bank to <u>fulfillment our CSR</u>, critically assess the effectiveness of actions, and push O-Bank <u>for making</u> ongoing improvements to ensure the <u>fulfillment of our CSR</u>. It is also advisable that O-Bank fully consider stakeholders' interests by taking various actions, including the following:</p> <ol style="list-style-type: none"> 1. Make <u>CSR</u> the guiding principle of O-Bank 's operations and development. 2. Identify O-Bank 's <u>CSR</u> mission, vision and value, and formulate <u>CSR</u> policy declaration. 3. Ensure the suitability of <u>CSR</u>-related information disclosures. <p>(The subsequent paragraphs are omitted.)</p>	<p>Same as above.</p>
<p>Article 10</p> <p>O-Bank is advised to adopt reasonable remuneration policies to ensure that remuneration arrangements support the strategic aims of the organization and align with the interests of stakeholders, and it is also advisable that <u>sustainable development</u> policies be reflected in the employee performance evaluation system.</p>	<p>Article 10</p> <p>O-Bank is advised to adopt reasonable remuneration policies to ensure that remuneration arrangements support the strategic aims of the organization and align with the interests of stakeholders, and it is also advisable that <u>CSR</u> policies be reflected in the employee performance evaluation system.</p>	<p>Same as above.</p>

Amended Article	Original Article	Explanation
<p>Article 11 O-Bank shall disclose information in accordance with relevant legislation and the "<i>Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies</i>," and fully disclose relevant and reliable information relating to <u>sustainable development</u> to improve information transparency. <u>Sustainable development</u>-related information which O-Bank shall disclose includes:</p> <ol style="list-style-type: none"> 1. <u>Sustainable development</u> governance mechanisms, strategies, policies, and management guidelines as well as concrete plans for promotion, as approved by resolution of the Board of Directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising and promoting corporate governance, fostering a sustainable environment, and preserving the public interest. 3. <u>Sustainable development</u> goals and measures adopted by O-Bank, and performance in our implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6. Other information relating to <u>sustainable development</u>. 	<p>Article 11 O-Bank shall disclose information in accordance with relevant legislation and the "<i>Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies</i>," and fully disclose relevant and reliable information relating to the <u>O-Bank CSR</u> to improve information transparency. <u>CSR</u>-related information which O-Bank shall disclose includes:</p> <ol style="list-style-type: none"> 1. <u>CSR</u> governance mechanisms, strategies, policies, and management guidelines as well as concrete plans for promotion, as approved by resolution of the Board of Directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising and promoting corporate governance, fostering a sustainable environment, and preserving the public interest. 3. <u>CSR</u> goals and measures adopted by O-Bank, and performance in our implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6. Other information relating to <u>CSR</u>. 	<p>Same as above.</p>

Amended Article	Original Article	Explanation
<p>Article 14 O-Bank is advised to regularly organize education and training on <u>sustainable development related topics</u>.</p>	<p>Article 14 O-Bank is advised to regularly organize education and training on <u>the fulfillment of CSR</u>.</p>	<p>Same as above.</p>
<p>Chapter 4 Enhancement of customer relationships Article 24 O-Bank is advised to incorporate sustainability concepts regarding environmental, social, and governance (ESG) into product designs and service planning; to tap into our core competencies to provide products and services capable of <u>achieving sustainable development</u>; and to regularly report on the state of efforts to report products and services to the Corporate Social Responsibility Committee for deliberations.</p>	<p>Chapter 4 Enhancement of customer relationships Article 24 O-Bank is advised to incorporate sustainability concepts regarding environmental, social, and governance (ESG) into product designs and service planning; to tap into our core competencies to provide products and services capable of <u>fulfilling the O-Bank CSR</u>; and to regularly report on the state of efforts to report products and services to the Corporate Social Responsibility Committee for deliberations.</p>	<p>Same as above.</p>
<p>Chapter 5 Fostering a sustainable environment Article 29 O-Bank is advised to assess the impact of procurement activity on the society and environment of communities that it procures from, and cooperate with our suppliers to jointly fulfill CSR. In addition, O-Bank is advised to establish supplier management policies and request that suppliers comply with rules governing issues such as environmental protection, occupational safety and health, or labor rights. Prior to engaging in commercial dealings, O-Bank is advised to assess whether there is any record of a supplier's</p>	<p>Chapter 5 Fostering a sustainable environment Article 29 O-Bank is advised to assess the impact of procurement activity on the society and environment of communities that it procures from, and cooperate with our suppliers to jointly fulfill CSR. In addition, O-Bank is advised to establish supplier management policies and request that suppliers comply with rules governing issues such as environmental protection, occupational safety and health, or labor rights. Prior to engaging in commercial dealings, O-Bank is advised to assess whether there is any record of a supplier's operations having an impact on</p>	<p>Same as above.</p>

Amended Article	Original Article	Explanation
<p>operations having an impact on the environment and society, and avoid conducting transactions with those that violate our <u>sustainable development</u> policies. And when O-Bank enters into a contract with any of our major suppliers, the content should include terms stipulating mutual compliance with <u>O-Bank sustainable development</u> policies, and providing that the contract may be terminated or rescinded any time if the supplier has violated such policies in a way that has caused a significant negative impact on the environment and society of the community of the supply source.</p>	<p>the environment and society, and avoid conducting transactions with those that violate our <u>CSR</u> policies. And when O-Bank enters into a contract with any of our major suppliers, the content should include terms stipulating mutual compliance with <u>CSR</u> policies, and providing that the contract may be terminated or rescinded any time if the supplier has violated such policies in a way that has caused a significant negative impact on the environment and society of the community of the supply source.</p>	
<p>Article 30 O-Bank shall endeavor to utilize <u>energy and other resources more efficiently</u> and use recyclable materials, which have a low impact on the environment, to ensure that the Earth's resources can be used sustainably.</p>	<p>Article 30 O-Bank shall endeavor to utilize resources more efficiently and use recyclable materials, which have a low impact on the environment, to ensure that the Earth's resources can be used sustainably.</p>	<p>Article 30 is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i>, with the aim to focus more on the companies' management of resources utility and the reduction of greenhouse gas emission.</p>
<p>Article 31 <u>In order to make more efficient use of energy and other resources</u>, O-Bank shall compile statistics on greenhouse gas emissions, water consumption,</p>	<p>Article 31 O-Bank shall compile statistics on greenhouse gas emissions, water consumption, and total weight of waste, and adopt policies for energy conservation, carbon and</p>	<p>Article 31 is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best</i></p>

Amended Article	Original Article	Explanation
<p>and total weight of waste, and adopt policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption, and management of other wastes. In addition, O-Bank shall also construct and improve environmental protection treatment facilities to avoid polluting water, air, and land, and use our best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.</p>	<p>greenhouse gas reduction, reduction of water consumption, and management of other wastes. In addition, O-Bank shall also construct and improve environmental protection treatment facilities to avoid polluting water, air, and land, and use our best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.</p>	<p><i>Practice Principles for TWSE/TPEX Listed Companies</i>, with the aim to focus more on the companies' management of resources utility and the reduction of greenhouse gas emission.</p>
<p>Article 32 O-Bank is advised to assess the current and future potential risks and opportunities that climate change may present, to adopt related measures, and to conduct corporate greenhouse gas inventories and disclosures. <u>The scope of such inventories and disclosures shall include direct greenhouse gas emissions (scope 1), indirect greenhouse gas emissions (scope 2), and other indirect greenhouse gas emissions (scope 3).</u> Based on business conditions and the results of greenhouse gas inventories, O-Bank is also advised to adopt strategies for energy conservation and reduction of carbon and other greenhouse gases in order to reduce the environmental impact of our operations.</p>	<p>Article 32 O-Bank is advised to assess the current and future potential risks and opportunities that climate change may present, to adopt <u>climate</u>-related measures, and to conduct corporate greenhouse gas inventories and disclosures. Based on business conditions and the results of greenhouse gas inventories, O-Bank is also advised to adopt strategies for energy conservation and reduction of carbon and other greenhouse gases in order to reduce the environmental impact of our operations.</p>	<p>In accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i>, the explanation of the amended Paragraph 1 and 3, Article 17 of the aforesaid <i>Principles</i> is as follows:</p> <ol style="list-style-type: none"> 1. When assessing the risks and opportunities that climate change may present and adopting climate-related measures, TWSE/ TPEX Listed Companies shall include but not limited to climate-related issues.

Amended Article	Original Article	Explanation
		2. Encouraging companies to disclose other indirect greenhouse gas emission (Scope 3) in order to achieve the goal of reducing greenhouse gas emission.
<p>Article 34 Through ongoing communication with stakeholders regarding the importance of environmental protection issues, O-Bank shall establish and deepen the environmental consciousness of employees, customers, suppliers, and members of the public, and regularly disclose our efforts to implement environmental protection and the results thereof in <u>sustainability</u> report.</p>	<p>Article 34 Through ongoing communication with stakeholders regarding the importance of environmental protection issues, O-Bank shall establish and deepen the environmental consciousness of employees, customers, suppliers, and members of the public, and regularly disclose our efforts to implement environmental protection and the results thereof in <u>CSR</u> reports.</p>	<p>The wording is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i>.</p>
<p><u>Chapter 7 Development of green finance</u> <u>Article 39</u> <u>O-Bank shall take the initiative to act in accordance with the Green Finance Action Plan adopted by the competent authority, and at the same time shall work actively to align our practices with international sustainable development trends. O-Bank is also advised to promote sustainable finance-related business, to tap into our power as a financial institution to strengthen environmental, social, and governance (ESG) actions, and to work hand-in-hand with</u></p>	None	<p>Chapter 7 is added in accordance with FSC's Green Finance Action Plan 2.0. Given the addition of Chapter 7, the order of the articles is adjusted.</p>

Amended Article	Original Article	Explanation
<p><u>customers to achieve social and environmental sustainability.</u></p> <p><u>Article 40</u></p> <p><u>When conducting our lending business and carrying out investment activities, O-Bank shall make reference to international sustainability initiatives and related principles in establishing an appropriate ESG assessment mechanism, shall incorporate ESG factors into loan underwriting and evaluation procedures and investment screening standards, in order to effectively promote business customers' sustainable development. At the same time, O-Bank shall properly measure the potential ESG risks associated with investment targets and loan business customers, exercise tighter monitoring and control of business customers with high ESG risks, and increase the share of loans and investments to business customers with strong ESG performance.</u></p> <p><u>Article 41</u></p> <p><u>O-Bank shall identify industries that contribute to environmental sustainability and are beneficial to society, and then promote the development of sustainable industries by increasing the share of loans and investments that are directed toward those industries. With respect to industries that are sensitive or characterized by high pollution, high risk, or high carbon</u></p>		

Amended Article	Original Article	Explanation
<p><u>emissions, O-Bank is advised to prudently conduct examinations and assessments, and avoid making loans and investments in industries that have an adverse impact on social and environmental sustainability.</u></p> <p><u>Article 42</u> <u>Acting in line with our commitment to a synergistic co-existence between the natural environment and society, O-Bank shall continue to assess the possibility of issuing green bonds, sustainability bonds, and other ESG bonds. At the same time, by including more of an ESG element in our products and services(e.g. by launching fund products that meet ESG standards)in order to callon customers to support products and services that have a positive environmental and social impact.</u></p>		
<p>Chapter 8 Supplementary provisions Article <u>43</u> O-Bank shall regularly monitor <u>domestic sustainable development systems</u> and changing business environments, both locally and globally, and adjust <u>sustainable development</u> policies and action plans accordingly, in order to <u>promote sustainable development more effectively.</u></p>	<p>Chapter 7 Supplementary provisions Article <u>39</u> O-Bank shall regularly monitor <u>the development of CSR practices</u> and changing business environments, both locally and globally, and adjust <u>CSR</u> policies and action plans accordingly, in order to <u>enhance the results of our fulfillment of CSR.</u></p>	<ol style="list-style-type: none"> 1. The wording is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</i> 2. Given the addition of Article 39 to 42 of Chapter 7, the order of the chapters and articles is adjusted.

Amended Article	Original Article	Explanation
<p>Article <u>44</u> O-Bank shall <u>publish sustainability report annually to disclose the status of efforts to promote sustainable development</u> to enhance the transparency and reliability of the information in the report. It is advisable that the report include, without limitation, the following:</p> <ol style="list-style-type: none"> 1. The systemic framework, policies, and action plans for <u>achieving sustainable development.</u> 2. Major stakeholders and <u>the issues</u> their concern. 3. Results of and future prospects for the implementation and promotion of corporate governance, environment sustainability, public interest preservation, and economic development. 4. Future improvements and goals. 	<p>Article <u>40</u> O-Bank shall <u>regularly prepare internationally accredited CSR reports to disclose the status of implementation of our CSR. It is also advised to obtain third-party assurance or verification for reports</u> to enhance the transparency and reliability of the information in the reports. It is advisable that the reports include, without limitation, the following:</p> <ol style="list-style-type: none"> 1. The systemic framework, policies, and action plans for <u>fulfilling CSR.</u> 2. Major stakeholders and their concerns. 3. Results of and future prospects for the implementation and promotion of corporate governance, environment sustainability, public interest preservation, and economic development. 4. Future improvements and goals. 	<p>Same as above.</p>
<p><u>Article 45</u> <u>O-Bank shall prepare an annual sustainability report for the preceding year by referring to the GRI standards published by the Global Reporting Initiative(GRI), and in preparing this report O-Bank shall make the disclosures that are required of financial institutions by the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."</u></p>	<p>None</p>	<p>Article 45 is added in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.</i></p>

Amended Article	Original Article	Explanation
<p><u>Article 46</u> <u>O-Bank shall obtain third-party certification of our sustainability report. For disclosures therein required by the Taiwan Stock Exchange Corporation, O-Bank shall obtain a Certified Public Accountant(CPA)'s letter of opinion issued according to the rules published by the Accounting Research and Development Foundation, ROC. By 30 June each year, O-Bank shall post our sustainability report and a link to the file of the report on our website, and shall report it to the internet information reporting system designated by TWSE.</u></p>	<p>None</p>	<p>Article 46 is added in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.</i></p>
<p>Article <u>47</u> These Best Practice Principles, and any amendments hereto, shall be implemented after being adopted by resolution of the Board of Directors, and then reported at a shareholders meeting. In addition, when a shareholder proposes a motion involving <u>sustainable development</u>, the Board of Directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>Article <u>41</u> These Best Practice Principles, and any amendments hereto, shall be implemented after being adopted by resolution of the Board of Directors, and then reported at a shareholders meeting. In addition, when a shareholder proposes a motion involving <u>CSR</u>, the Board of Directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>The wording is amended in accordance with the principles of 2021.12.7 TWSE Order to adjust <i>Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</i></p>

Appendix VI

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
O-Bank

Opinion

We have audited the accompanying consolidated financial statements of O-Bank (the "Bank") and its subsidiaries (collectively referred to as the "Group"), 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 (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, 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 Group 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 descriptions of the key audit matters of the consolidated financial statements for the year ended December 31, 2021 are as follows:

Allowance for Credit Losses of Loans

The Bank is engaged principally in providing loans to customers. The Bank's management performed loans impairment assessment in accordance with the requirements of International Financial Reporting Standard 9, "Financial Instruments". In addition, the allowance for credit losses of loans was calculated and classified in accordance with the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans" (referred to as "Banking Institutions Regulations Governing the Procedures for Bad Debt").

For details about the accounting policy on the allowance for credit losses, refer to Note 4 to the accompanying consolidated financial statements; for details about the critical accounting judgments, estimations, and assumptions of loan impairment, refer to Note 5 to the accompanying consolidated financial statements; and for details about the allowance for credit losses, refer to Note 13 to the accompanying consolidated financial statements.

The Bank shall assess the classification of credit-granting assets and recognize allowance for credit losses of loans in accordance with the "Banking Institutions Regulations Governing the Procedures for Bad Debt". As the assessment and recognition of loss allowance involve subjective judgments, critical estimations and assumptions of the management, we have included the assessment of allowance for credit losses of loans as a key audit matter.

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

- We obtained an understanding and performed testing on the internal controls in respect of the Bank's loan impairment assessment.
- We examined that the classifications of loans were in accordance with the "Banking Institutions Regulations Governing the Procedures for Bad Debt". We also recalculated the amount of the allowance for credit losses on loans and checked whether the Bank meets the requirement of the regulation or not.

Assessment of Reserve for Losses on Guarantee Contracts

The reserves set aside for the guarantee liabilities of China Bills Finance Corporation are in accordance with both the International Financial Reporting Standard 9, "Financial Instruments", whereby the expected losses on guarantee obligations generated by financial guarantee contracts are assessed, and the "Regulations Governing the Procedures for Bills Finance Companies to Evaluate Assets, Set Aside Loss Reserves, and Handle Non-performing Credit, Non-accrual Loans, and Bad Debt" (referred to as the "Bills Finance Companies Regulations for Evaluating Bad Debt"), whereby the reserves for guarantee liabilities are classified and made.

For details about the accounting policy on the reserve for guarantee liabilities, refer to Note 4 to the accompanying consolidated financial statements; for details about the critical accounting judgments, estimations and assumptions of the reserve for guarantee liabilities, refer to Note 5 to the accompanying consolidated financial statements; and for details about the reserve for guarantee liabilities, refer to Note 13 to the accompanying consolidated financial statements.

China Bills Finance Corporation assesses reserve for guarantee contracts involves subjective judgments, critical estimations and assumptions of the management. The classification of credit-granting assets and recognition of the reserve for guarantee contracts in accordance with the “Bills Finance Companies Regulations for Evaluating Bad Debt” influence the amounts of the reserve for guarantee contracts. Thus, we consider the assessment of reserve losses on guarantee contracts as a key audit matter.

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

- We understood the internal controls about the estimated impairment of reserve for losses on guarantee contracts and we tested the effectiveness of the operation of the controls.
- We reviewed the assessment schedule of reserve for losses on credit-granting assets, which the management of China Bills Finance Corporation used to assess the reserve. We checked the completeness of amount of credit-granting assets in the schedule and rationality of classifications. We recalculated the amounts of reserve for losses on guarantee contracts in the schedule and checked whether the reserve meets the requirements of the “Bills Finance Companies Regulations for Evaluating Bad Debt” or not.

Other Matter

We have also audited the parent company only financial statements of the Bank as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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 Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, 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 Group’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 Group 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 Group’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 Group'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 Group'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 Group 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 Group 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 Kuan-Hao Lee and Wang-Sheng Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 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 accepted and 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.

(With respect to the Notes in the Independent Auditors' Report, please refer to the 2021 Consolidated Financial Statement of O-Bank from the Market Observation Post System)

O-BANK AND SUBSIDIARIES

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

ASSETS	2021		2020	
	Amount	%	Amount	%
CASH AND CASH EQUIVALENTS	\$ 11,779,386	2	\$ 9,621,739	2
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS	12,981,310	2	18,125,019	3
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	151,899,447	27	162,494,696	28
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	191,156,680	33	172,509,235	30
BILLS AND BONDS PURCHASED UNDER RESELL AGREEMENTS	5,364,108	1	4,732,882	1
RECEIVABLES, NET	20,076,514	4	14,952,859	3
CURRENT TAX ASSETS	324,529	-	362,328	-
DISCOUNTS AND LOANS, NET	172,727,589	30	183,710,973	32
INVESTMENT ACCOUNTED FOR USING EQUITY METHOD, NET	880,879	-	789,863	-
OTHER FINANCIAL ASSETS	875,733	-	858,462	-
PROPERTY AND EQUIPMENT, NET	2,545,050	1	2,672,567	1
RIGHT-OF-USE ASSETS, NET	332,938	-	429,678	-
INTANGIBLE ASSETS, NET	1,946,051	-	2,207,244	-
DEFERRED TAX ASSETS	900,743	-	895,887	-
OTHER ASSETS	<u>1,289,712</u>	<u>-</u>	<u>1,050,198</u>	<u>-</u>
TOTAL	<u>\$ 575,080,669</u>	<u>100</u>	<u>\$ 575,413,630</u>	<u>100</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits From the Central Bank and other banks	\$ 27,876,301	5	\$ 28,479,755	5
Financial liabilities at fair value through profit or loss	441,337	-	790,298	-
Bills and bonds sold under repurchase agreements	187,952,616	33	181,165,826	32
Payables	2,467,406	-	2,740,642	1
Current tax liabilities	238,572	-	172,428	-
Deposits and remittances	259,379,425	45	267,719,672	47
Bank debentures payable	15,000,000	3	16,400,000	3
Other financial liabilities	20,580,832	4	18,102,763	3
Provisions	2,076,334	-	2,102,012	-
Lease liabilities	350,370	-	444,659	-
Deferred tax liabilities	830,510	-	793,255	-
Other liabilities	<u>2,719,579</u>	<u>-</u>	<u>2,249,555</u>	<u>-</u>
Total liabilities	<u>519,913,282</u>	<u>90</u>	<u>521,160,865</u>	<u>91</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK				
Capital				
Common stock	27,330,063	5	27,330,063	5
Preferred stock	<u>3,000,000</u>	<u>1</u>	<u>3,000,000</u>	<u>-</u>
Total capital	<u>30,330,063</u>	<u>6</u>	<u>30,330,063</u>	<u>5</u>
Capital surplus	<u>6,734</u>	<u>-</u>	<u>5,966</u>	<u>-</u>
Retained earnings				
Legal reserve	3,729,690	1	3,697,811	1
Special reserve	797,783	-	1,396,353	-
Unappropriated earnings	<u>2,040,419</u>	<u>-</u>	<u>106,262</u>	<u>-</u>
Total retained earnings	<u>6,567,892</u>	<u>1</u>	<u>5,200,426</u>	<u>1</u>
Other equity	<u>(485,479)</u>	<u>-</u>	<u>57,744</u>	<u>-</u>
Treasury stock	<u>(38,304)</u>	<u>-</u>	<u>(38,304)</u>	<u>-</u>
Total equity attributable to owners of the Bank	36,380,906	7	35,555,895	6
NON-CONTROLLING INTERESTS	<u>18,786,481</u>	<u>3</u>	<u>18,696,870</u>	<u>3</u>
Total equity	<u>55,167,387</u>	<u>10</u>	<u>54,252,765</u>	<u>9</u>
TOTAL	<u>\$ 575,080,669</u>	<u>100</u>	<u>\$ 575,413,630</u>	<u>100</u>

O-BANK 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	\$ 6,830,219	73	\$ 7,733,670	96	(12)
INTEREST EXPENSE	<u>(2,170,292)</u>	<u>(23)</u>	<u>(3,709,021)</u>	<u>(46)</u>	(41)
NET INTEREST	<u>4,659,927</u>	<u>50</u>	<u>4,024,649</u>	<u>50</u>	16
NET REVENUE OTHER THAN INTEREST REVENUE					
Service fee income, net	2,458,570	26	2,037,365	25	21
Gains (losses) on financial assets or liabilities measured at fair value through profit or loss	851,498	9	(199,950)	(3)	526
Realized gains on financial assets at fair value through other comprehensive income	410,622	5	418,865	5	(2)
Foreign exchange gain, net	619,970	7	1,734,406	22	(64)
Reversal of impairment loss (impairment loss) on assets	3,486	-	(5,203)	-	167
Share of profit (loss) of associates accounted for using equity method	94,846	1	(82,766)	(1)	215
Other net revenue other than interest	<u>215,893</u>	<u>2</u>	<u>129,125</u>	<u>2</u>	67
Total net revenue other than interest revenue	<u>4,654,885</u>	<u>50</u>	<u>4,031,842</u>	<u>50</u>	15
NET REVENUE	<u>9,314,812</u>	<u>100</u>	<u>8,056,491</u>	<u>100</u>	16
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	<u>(553,924)</u>	<u>(6)</u>	<u>(599,286)</u>	<u>(7)</u>	(8)

(Continued)

O-BANK 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		Percentag e Increase (Decrease)
	Amount	%	Amount	%	%
OPERATING EXPENSES					
Employee benefits expenses	\$ 2,745,513	30	\$ 2,609,229	32	5
Depreciation and amortization expenses	637,957	7	628,777	8	1
Other general and administrative expenses	<u>1,138,450</u>	<u>12</u>	<u>1,119,902</u>	<u>14</u>	2
Total operating expenses	<u>4,521,920</u>	<u>49</u>	<u>4,357,908</u>	<u>54</u>	4
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	4,238,968	45	3,099,297	39	37
INCOME TAX EXPENSE	<u>1,034,348</u>	<u>11</u>	<u>785,791</u>	<u>10</u>	32
INCOME FROM CONTINUING OPERATIONS	3,204,620	34	2,313,506	29	39
LOSS FROM DISCONTINUED OPERATIONS	<u>(4,697)</u>	<u>-</u>	<u>(12,577)</u>	<u>-</u>	(63)
NET PROFIT FOR THE YEAR	<u>3,199,923</u>	<u>34</u>	<u>2,300,929</u>	<u>29</u>	39
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:					
Losses on remeasurements of defined benefit plans	(3,166)	-	(1,642)	-	93
Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	814,893	9	428,610	5	90
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>148</u>	<u>-</u>	<u>387</u>	<u>-</u>	(62)
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax	<u>811,875</u>	<u>9</u>	<u>427,355</u>	<u>5</u>	90

(Continued)

O-BANK 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	%	%
Components of other comprehensive income (loss) that will be reclassified to profit or loss:					
Exchange differences on translation of financial statements of foreign operations	\$ (296,477)	(3)	\$ (466,094)	(6)	(36)
Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(1,459,302)	(16)	1,031,070	13	(242)
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>166,687</u>	<u>2</u>	<u>(77,219)</u>	<u>(1)</u>	316
Components of other comprehensive income that will be reclassified to profit or loss, net of tax	<u>(1,589,092)</u>	<u>(17)</u>	<u>487,757</u>	<u>6</u>	(426)
Other comprehensive income (loss) for the year, net of tax	<u>(777,217)</u>	<u>(8)</u>	<u>915,112</u>	<u>11</u>	(185)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$2,422,706</u>	<u>26</u>	<u>\$3,216,041</u>	<u>40</u>	(25)
NET PROFIT ATTRIBUTABLE TO:					
Owners of the Bank	\$ 1,840,842	20	\$ 1,147,403	14	60
Non-controlling interests	<u>1,359,081</u>	<u>14</u>	<u>1,153,526</u>	<u>15</u>	18
	<u>\$3,199,923</u>	<u>34</u>	<u>\$2,300,929</u>	<u>29</u>	39
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Bank	\$ 1,497,197	16	\$ 1,384,692	17	8
Non-controlling interests	<u>925,509</u>	<u>10</u>	<u>1,831,349</u>	<u>23</u>	(49)
	<u>\$2,422,706</u>	<u>26</u>	<u>\$3,216,041</u>	<u>40</u>	(25)

(Continued)

O-BANK 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		Percentag e Increase (Decrease)
	Amount	%	Amount	%	%
EARNINGS PER SHARE					
From continuing and discontinued operations					
Basic	<u>\$0.63</u>		<u>\$0.41</u>		
Diluted	<u>\$0.57</u>		<u>\$0.37</u>		
From continuing operations					
Basic	<u>\$0.63</u>		<u>\$0.42</u>		
Diluted	<u>\$0.57</u>		<u>\$0.37</u>		

(Concluded)

O-BANK 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 the Bank								Other Equity					
	Capital Stock			Capital Surplus	Retained Earnings				Exchange Differences on the Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Stock	Owners of the Bank	Non-controlling Interests	Total Equity
	Common Stock	Preferred Stocks	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2020	\$24,130,063	\$ 3,000,000	\$27,130,063	\$ 9,750	\$ 3,367,681	\$ 1,631,335	\$ 1,187,851	\$ 6,186,867	\$ (307,473)	\$ 239,996	\$ -	\$33,259,203	\$17,557,074	\$50,816,277
Reversal of special reserve	-	-	-	-	-	(234,982)	234,982	-	-	-	-	-	-	-
Appropriation and distribution of 2019 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	330,130	-	(330,130)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(965,203)	(965,203)	-	-	-	(965,203)	-	(965,203)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,500)	(127,500)	-	-	-	(127,500)	-	(127,500)
Unclaimed dividends	-	-	-	329	-	-	-	-	-	-	-	329	1,071	1,400
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	424	-	-	-	-	-	-	-	424	-	424
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(692,624)	(692,624)
Net profit for the year ended December 31, 2020	-	-	-	-	-	-	1,147,403	1,147,403	-	-	-	1,147,403	1,153,526	2,300,929
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	-	(147)	(147)	(390,081)	627,517	-	237,289	677,823	915,112
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	-	1,147,256	1,147,256	(390,081)	627,517	-	1,384,692	1,831,349	3,216,041
Capital increase	3,200,000	-	3,200,000	(4,537)	-	-	(1,153,209)	(1,153,209)	-	-	-	2,042,254	-	2,042,254
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(38,304)	(38,304)	-	(38,304)
Disposals of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	112,215	112,215	-	(112,215)	-	-	-	-
BALANCE AT DECEMBER 31, 2020	27,330,063	3,000,000	30,330,063	5,966	3,697,811	1,396,353	106,262	5,200,426	(697,554)	755,298	(38,304)	35,555,895	18,696,870	54,252,765
Reversal of special reserve	-	-	-	-	-	(598,570)	598,570	-	-	-	-	-	-	-
Appropriation and distribution of 2020 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	31,879	-	(31,879)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(545,454)	(545,454)	-	-	-	(545,454)	-	(545,454)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,500)	(127,500)	-	-	-	(127,500)	-	(127,500)
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	405	-	-	-	-	-	-	-	405	-	405
Unclaimed dividends	-	-	-	363	-	-	-	-	-	-	-	363	1,023	1,386
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(836,921)	(836,921)
Net profit for the year ended December 31, 2021	-	-	-	-	-	-	1,840,842	1,840,842	-	-	-	1,840,842	1,359,081	3,199,923
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	(2,594)	(2,594)	(248,513)	(92,538)	-	(343,645)	(433,572)	(777,217)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	1,838,248	1,838,248	(248,513)	(92,538)	-	1,497,197	925,509	2,422,706
Disposals of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	202,172	202,172	-	(202,172)	-	-	-	-
BALANCE AT DECEMBER 31, 2021	\$27,330,063	\$ 3,000,000	\$30,330,063	\$ 6,734	\$ 3,729,690	\$ 797,783	\$ 2,040,419	\$ 6,567,892	\$ (946,067)	\$ 460,588	\$ (38,304)	\$36,380,906	\$18,786,481	\$55,167,387

O-BANK 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		
Profit from continuing operations before tax	\$ 4,238,968	\$ 3,099,297
Loss from discontinued operations before tax	(4,697)	(12,577)
Adjustments for:		
Depreciation expense	359,168	355,499
Amortization expense	281,967	273,972
Expected credit losses/recognition of provisions	550,438	604,489
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(862,473)	197,210
Interest expense	2,170,292	3,709,021
Interest revenue	(6,830,219)	(7,734,166)
Dividends income	(250,765)	(185,587)
Share of loss (profit) of associates accounted for using equity method	(94,846)	82,766
Loss (gain) on disposal of property and equipment	(231)	678
Gain on disposal of investments	(159,857)	(233,278)
Changes in operating assets and liabilities:		
Due from the Central Bank and call loans to banks	724,820	(2,208,714)
Financial assets at fair value through profit or loss	11,007,217	9,879,510
Financial assets at fair value through other comprehensive income	(18,548,806)	(28,308,801)
Bills and bonds purchased under resell agreements	(631,226)	(4,632,869)
Receivables	(5,349,722)	708,504
Discounts and loans	10,517,050	10,148,245
Deposits From the Central Bank and other banks	(603,454)	(14,959,643)
Financial liabilities at fair value through profit or loss	(348,961)	256,716
Bills and bonds sold under repurchase agreements	6,786,790	21,612,441
Payables	(169,006)	(590,067)
Deposits and remittances	(8,340,247)	1,987,848
Provisions	<u>(18,494)</u>	<u>(24,656)</u>
Cash used in operations	(5,576,294)	(5,974,162)
Interest received	6,951,157	8,355,148
Interest paid	(2,354,341)	(4,043,442)
Dividends received	261,363	199,115
Income taxes paid	<u>(808,793)</u>	<u>(418,828)</u>
Net cash flows used in operating activities	<u>(1,526,908)</u>	<u>(1,882,169)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using equity method	-	(863,564)
Acquisition of property and equipment	(97,062)	(92,019)
Proceeds from disposal of property and equipment	3,102	1,472
Increase in refundable deposits	(197,383)	(191,817)
Acquisition of intangible assets	(35,324)	(156,053)
Decrease in other financial assets	536,523	69,934

(Continued)

O-BANK AND SUBSIDIARIES

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

	2021	2020
Increase in other assets	\$ (42,131)	\$ -
Decrease in other assets	<u>-</u>	<u>58,393</u>
Net cash flows generated from (used in) investing activities	<u>167,725</u>	<u>(1,173,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	546,107	458,029
Increase in commercial papers	436,540	4,762,000
Proceeds from issuing bank debentures	1,500,000	-
Repayments of bank debentures	(2,900,000)	(2,300,000)
Proceeds from long-term borrowings	6,700,165	4,811,895
Repayments of long-term borrowings	(4,627,940)	(4,258,439)
Repayments of the principal portion of lease liabilities	(178,417)	(175,620)
Decrease in other financial liabilities	(533,398)	(620,641)
Increase in other liabilities	470,024	-
Decrease in other liabilities	-	(168,551)
Dividends paid to owners of the Bank	(672,954)	(1,092,703)
Capital increase	-	2,032,000
Payments to acquire treasury shares	-	(38,304)
Dividends paid to non-controlling interests	<u>(836,921)</u>	<u>(692,624)</u>
Net cash flows generated from (used in) financing activities	<u>(96,794)</u>	<u>2,717,042</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(251,471)</u>	<u>(306,047)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,707,448)	(644,828)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>16,905,644</u>	<u>17,550,472</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 15,198,196</u>	<u>\$ 16,905,644</u>

Reconciliation 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:

	December 31	
	2021	2020
Cash and cash equivalents reported in the consolidated balance sheets	\$ 11,779,386	\$ 9,621,739
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	2,865,016	7,283,905
Other items qualifying for cash and cash equivalents under the definition of IAS 7	<u>553,794</u>	<u>-</u>
Cash and cash equivalents at the end of the year	<u>\$ 15,198,196</u>	<u>\$ 16,905,644</u>

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
O-Bank Co., Ltd.

Opinion

We have audited the accompanying financial statements of O-Bank Co., Ltd (the "Bank"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks.

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 Financial Statements section of our report. We are independent of the Bank 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 financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the financial statements for the year ended December 31, 2021 are as follows:

Allowance for Credit Losses of Loans

The Bank is engaged principally in providing loans to customers. The Bank's management performed loans impairment assessment in accordance with the requirements of International Financial Reporting Standard 9, "Financial Instruments". In addition, the allowance for credit

losses of loans was calculated and classified in accordance with the “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” (referred to as “Banking Institutions Regulations Governing the Procedures for Bad Debt”).

For details about the accounting policy on the allowance for credit losses, refer to Note 4 to the accompanying financial statements; for details about the critical accounting judgments, estimations and assumptions of loan impairment, refer to Note 5 to the accompanying financial statements; and for details about the allowance for credit losses, refer to Note 12 to the accompanying financial statements.

The Bank shall assess the classification of credit-granting assets and recognize allowance for credit losses of loans in accordance with the “Banking Institutions Regulations Governing the Procedures for Bad Debt”. As the assessment and recognition of loss allowance involve subjective judgments, critical estimations and assumptions of the management, we have included the assessment of allowance for credit losses of loans as a key audit matter.

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

- We obtained an understanding and performed testing on the internal controls in respect of the Bank’s loan impairment assessment.
- We examined that the classifications of loans were in accordance with the “Banking Institutions Regulations Governing the Procedures for Bad Debt”. We also recalculated the amount of the allowance for credit losses on loans and checked whether the Bank meets the requirement of the regulation or not.

Investments Accounted for Using the Equity Method - Assessment of Reserve for Loss on Guarantee Contracts

China Bills Finance Corporation, subsidiary accounted for using equity method, sets aside reserves for guarantee liabilities. It is required to comply, with both the International Financial Reporting Standard 9, “Financial Instruments”, whereby the expected losses on guarantee obligations generated by financial guarantee contracts are assessed, and the “Regulations Governing the Procedures for Bills Finance Companies to Evaluate Assets, Set Aside Loss Reserves, and Handle Non-performing Credit, Non-accrual Loans, and Bad Debt” (referred to as the “Bills Finance Companies Regulations for Evaluating Bad Debt”), whereby the reserves for guarantee liabilities are classified and made.

For the accounting policy and details about the investments accounted for using the equity method, refer to Notes 4 and 13 to the accompanying financial statements.

China Bills Finance Corporation assesses reserve for guarantee contracts involves subjective judgements, critical estimations and assumptions of the management. The classification of

credit-granting assets and recognition of the reserve for guarantee contracts in accordance with the “Bills Finance Companies Regulations for Evaluating Bad Debt” influence the amounts of the reserve for guarantee contracts. Thus, we consider the assessment of reserve losses on guarantee contracts as a key audit matter.

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

- We understood the internal controls about the estimated impairment of reserve for losses on guarantee contracts and we tested the effectiveness of the operation of the controls.
- We reviewed the assessment schedule of reserve for losses on credit-granting assets, which the management of China Bills Finance Corporation used to assess the reserve. We checked the completeness of amount of credit-granting assets in the schedule and rationality of classifications. We recalculated the amounts of reserve for losses on guarantee contracts in the schedule and checked whether the reserve meets the requirements of the “Bills Finance Companies Regulations for Evaluating Bad Debt” or not.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank’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 Bank 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 Bank’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Bank'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 Bank'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 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 Bank to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 with the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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 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 Kuan-Hao Lee and Wang-Sheng Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2022

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

(With respect to the Notes in the Independent Auditors' Report, please refer to the 2021 Financial Statement of O-Bank from the Market Observation Post System)

O-BANK CO., LTD.

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

ASSETS	2021		2020	
	Amount	%	Amount	%
CASH AND CASH EQUIVALENTS	\$ 3,801,811	1	\$ 3,566,116	1
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS	12,265,965	4	17,127,229	5
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	37,056,448	12	56,042,294	17
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	80,744,358	26	65,178,855	20
RECEIVABLES, NET	2,098,288	1	1,413,105	1
CURRENT TAX ASSETS	143,645	-	74,418	-
DISCOUNTS AND LOANS, NET	156,748,321	50	163,916,864	50
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD, NET	17,335,412	5	16,542,108	5
OTHER FINANCIAL ASSETS	771,094	-	219,108	-
PROPERTY AND EQUIPMENT, NET	2,365,867	1	2,489,958	1
RIGHT-OF-USE ASSETS, NET	182,470	-	246,147	-
INTANGIBLE ASSETS, NET	853,597	-	1,084,891	-
DEFERRED TAX ASSETS	422,953	-	367,617	-
OTHER ASSETS	<u>273,322</u>	-	<u>584,938</u>	-
TOTAL	<u>\$ 315,063,551</u>	<u>100</u>	<u>\$ 328,853,648</u>	<u>100</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits From the Central Bank and other banks	\$ 18,780,176	6	\$ 22,339,755	7
Financial liabilities at fair value through profit or loss	316,245	-	637,659	-
Bills and bonds sold under repurchase agreements	895,966	-	1,439,016	-
Payables	1,617,652	-	1,925,339	1
Current tax liabilities	100,670	-	23,946	-
Deposits and remittances	238,194,464	76	246,420,823	75
Bank debentures payable	15,000,000	5	16,400,000	5
Other financial liabilities	2,314,610	1	2,848,008	1
Provisions	509,495	-	512,847	-
Lease liabilities	190,235	-	253,261	-
Deferred tax liabilities	517,450	-	435,263	-
Other liabilities	<u>245,682</u>	-	<u>61,836</u>	-
Total liabilities	<u>278,682,645</u>	<u>88</u>	<u>293,297,753</u>	<u>89</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK				
Capital				
Common stock	27,330,063	9	27,330,063	8
Preferred stock	<u>3,000,000</u>	<u>1</u>	<u>3,000,000</u>	<u>1</u>
Total capital	<u>30,330,063</u>	<u>10</u>	<u>30,330,063</u>	<u>9</u>
Capital surplus	<u>6,734</u>	-	<u>5,966</u>	-
Retained earnings				
Legal reserve	3,729,690	1	3,697,811	1
Special reserve	797,783	-	1,396,353	1
Unappropriated earnings	<u>2,040,419</u>	<u>1</u>	<u>106,262</u>	-
Total retained earnings	<u>6,567,892</u>	<u>2</u>	<u>5,200,426</u>	<u>2</u>
Other equity	<u>(485,479)</u>	-	<u>57,744</u>	-
Treasury shares	<u>(38,304)</u>	-	<u>(38,304)</u>	-
Total equity	<u>36,380,906</u>	<u>12</u>	<u>35,555,895</u>	<u>11</u>
TOTAL	<u>\$ 315,063,551</u>	<u>100</u>	<u>\$ 328,853,648</u>	<u>100</u>

O-BANK CO., LTD.

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	%	
NET INTEREST					
INTEREST REVENUE	\$ 3,471,339	63	\$ 4,359,827	94	(20)
INTEREST EXPENSE	<u>(1,261,044)</u>	<u>(23)</u>	<u>(2,445,244)</u>	<u>(53)</u>	(48)
NET INTEREST	<u>2,210,295</u>	<u>40</u>	<u>1,914,583</u>	<u>41</u>	15
NET REVENUE OTHER THAN INTEREST REVENUE					
Service fee income, net	804,356	15	583,947	13	38
Gains (losses) on financial assets or liabilities measured at fair value through profit or loss	135,585	2	(840,982)	(18)	116
Realized gains on financial assets at fair value through other comprehensive income	267,977	5	257,439	6	4
Foreign exchange gain, net	598,310	11	1,642,073	35	(64)
Reversal of impairment loss on assets	(4,851)	-	(3,704)	-	31
Share of profit of subsidiaries and associates accounted for using equity method	1,415,994	26	990,158	21	43
Other net revenue other than interest	<u>83,634</u>	<u>1</u>	<u>107,962</u>	<u>2</u>	(23)
Total net revenue other than interest revenue	<u>3,301,005</u>	<u>60</u>	<u>2,736,893</u>	<u>59</u>	21
TOTAL NET REVENUE	<u>5,511,300</u>	<u>100</u>	<u>4,651,476</u>	<u>100</u>	18
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	<u>(474,298)</u>	<u>(9)</u>	<u>(429,960)</u>	<u>(9)</u>	10

(Continued)

O-BANK CO., LTD.

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	%	
OPERATING EXPENSES					
Employee benefits expenses	\$ 1,666,457	30	\$ 1,611,723	35	3
Depreciation and amortization expenses	525,492	10	526,662	11	-
Other general and administrative expenses	<u>829,983</u>	<u>15</u>	<u>846,840</u>	<u>18</u>	(2)
Total operating expenses	<u>3,021,932</u>	<u>55</u>	<u>2,985,225</u>	<u>64</u>	1
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	2,015,070	36	1,236,291	27	63
INCOME TAX EXPENSE	<u>174,228</u>	<u>3</u>	<u>88,888</u>	<u>2</u>	96
NET PROFIT FOR THE YEAR	<u>1,840,842</u>	<u>33</u>	<u>1,147,403</u>	<u>25</u>	60
OTHER COMPREHENSIVE INCOME(LOSS)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:					
Gains (losses) on remeasurements of defined benefit plans	(2,426)	-	292	-	(931)
Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	630,947	11	299,035	6	111
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	<u>29,834</u>	<u>1</u>	<u>39,965</u>	<u>1</u>	(25)
Components of other comprehensive income (loss) that will not be reclassified to profit or loss, net of tax	<u>658,355</u>	<u>12</u>	<u>339,292</u>	<u>7</u>	94

(Continued)

O-BANK CO., LTD.

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	%	
Components of other comprehensive income (loss) that will be reclassified to profit or loss:					
Exchange differences on translation of financial statements of foreign operations	\$ (280,110)	(5)	\$ (446,246)	(10)	(37)
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(254,539)	(5)	255,704	6	(200)
Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(498,948)	(9)	32,374	1	(1,641)
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>31,597</u>	<u>1</u>	<u>56,165</u>	<u>1</u>	(44)
Components of other comprehensive loss that will be reclassified to profit or loss, net of tax	<u>(1,002,000)</u>	<u>(18)</u>	<u>(102,003)</u>	<u>(2)</u>	882
Other comprehensive income (loss) for the year, net of tax	<u>(343,645)</u>	<u>(6)</u>	<u>237,289</u>	<u>5</u>	(245)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$1,497,197</u>	<u>27</u>	<u>\$1,384,692</u>	<u>30</u>	8
EARNINGS PER SHARE					
Basic	<u>\$0.63</u>		<u>\$0.41</u>		
Diluted	<u>\$0.57</u>		<u>\$0.37</u>		

(Concluded)

O-BANK CO., LTD.

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

	Capital Stock (Note 28)			Capital Surplus (Note 28)	Retained Earnings				Other Equity		Treasury Stock (Note 28)	Total Equity
	Common Stocks	Preferred Stocks	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on the Translation Of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive		
BALANCE AT JANUARY 1, 2020	\$24,130,063	\$ 3,000,000	\$27,130,063	\$ 9,750	\$ 3,367,681	\$ 1,631,335	\$ 1,187,851	\$ 6,186,867	\$ (307,473)	\$ 239,996	\$ -	\$33,259,203
Reversal of special reserve	-	-	-	-	-	(234,982)	234,982	-	-	-	-	-
Appropriation and distribution of 2019 earnings												
Legal reserve	-	-	-	-	330,130	-	(330,130)	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(965,203)	(965,203)	-	-	-	(965,203)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,500)	(127,500)	-	-	-	(127,500)
Unclaimed dividends	-	-	-	329	-	-	-	-	-	-	-	329
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	424	-	-	-	-	-	-	-	424
Net profit for the year ended December 31, 2020	-	-	-	-	-	-	1,147,403	1,147,403	-	-	-	1,147,403
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	-	(147)	(147)	(390,081)	627,517	-	237,289
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	-	1,147,256	1,147,256	(390,081)	627,517	-	1,384,692
Capital increase	3,200,000	-	3,200,000	(4,537)	-	-	(1,153,209)	(1,153,209)	-	-	-	2,042,254
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(38,304)	(38,304)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	112,215	112,215	-	(112,215)	-	-
BALANCE AT DECEMBER 31, 2020	27,330,063	3,000,000	30,330,063	5,966	3,697,811	1,396,353	106,262	5,200,426	(697,554)	755,298	(38,304)	35,555,895
Reversal of special reserve	-	-	-	-	-	(598,570)	598,570	-	-	-	-	-
Appropriation and distribution of 2020 earnings												
Legal reserve	-	-	-	-	31,879	-	(31,879)	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(545,454)	(545,454)	-	-	-	(545,454)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,500)	(127,500)	-	-	-	(127,500)
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	405	-	-	-	-	-	-	-	405
Unclaimed dividends	-	-	-	363	-	-	-	-	-	-	-	363
Net profit for the year ended December 31, 2021	-	-	-	-	-	-	1,840,842	1,840,842	-	-	-	1,840,842
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	(2,594)	(2,594)	(248,513)	(92,538)	-	(343,645)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	1,838,248	1,838,248	(248,513)	(92,538)	-	1,497,197
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	202,172	202,172	-	(202,172)	-	-
BALANCE AT DECEMBER 31, 2021	\$27,330,063	\$ 3,000,000	\$30,330,063	\$ 6,734	\$ 3,729,690	\$ 797,783	\$ 2,040,419	\$ 6,567,892	\$ (946,067)	\$ 460,588	\$ (38,304)	\$36,380,906

O-BANK CO., LTD.

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		
Profit from continuing operations before tax	\$ 2,015,070	\$ 1,236,291
Adjustments for:		
Depreciation expense	256,010	261,527
Amortization expense	269,482	265,135
Expect credit losses/recognition of provisions	479,149	433,664
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(135,585)	840,982
Interest expense	1,261,044	2,445,244
Interest revenue	(3,471,339)	(4,359,827)
Dividends income	(188,668)	(134,398)
Share of gain of subsidiaries, associates and joint ventures accounted for using equity method	(1,415,994)	(990,158)
Gain on disposal of property and equipment	(250)	-
Gain on disposal of investments	(79,309)	(123,041)
Changes in operating assets and liabilities:		
Due from the Central Bank and call loans to banks	724,820	(2,208,714)
Financial assets at fair value through profit or loss	18,800,017	23,858,329
Financial assets at fair value through other comprehensive income	(15,362,308)	(29,345,706)
Receivables	(907,340)	1,238,603
Discounts and loans	6,720,114	9,833,490
Deposits from the Central Bank and other banks	(3,559,579)	(6,598,774)
Bills and bonds sold under repurchase agreements	(543,050)	(1,424,532)
Payables	49,812	(477,663)
Deposits and remittances	(8,226,359)	2,775,743
Provisions	(5,752)	(31,645)
Cash used in operations	(3,320,015)	(2,505,450)
Interest received	3,497,648	4,810,708
Dividends received	526,550	413,026
Interest paid	(1,450,722)	(2,706,268)
Income taxes paid	(85,658)	(84,554)
Net cash flows used in operating activities	<u>(832,197)</u>	<u>(72,538)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	-	(863,564)
Acquisition of property and equipment	(56,273)	(63,432)
Proceeds from disposal of property and equipment	350	-
Increase in refundable deposits	-	(194,299)
Decrease in refundable deposits	326,101	-
Acquisition of intangible assets	(22,840)	(121,693)
Increase in other financial assets	-	(3,017)
Decrease in other financial assets	1,808	-

(Continued)

O-BANK CO., LTD.

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

	2021	2020
Increase in other assets	\$ (14,485)	\$ -
Decrease in other assets	<u>-</u>	<u>8,791</u>
Net cash flows generated from (used in) investing activities	<u>234,661</u>	<u>(1,237,214)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuing bank debentures	1,500,000	-
Repayments of bank debentures	(2,900,000)	(2,300,000)
Increase in funds intended for specific types of loans	506,833	808,828
Repayments of funds intended for specific types of loans	(1,059,192)	(937,659)
Repayment of the principal portion of lease liabilities	(96,711)	(98,007)
Increase in other financial liabilities	18,961	-
Decrease in other financial liabilities	-	(491,810)
Increase in other liabilities	183,846	16,648
Cash dividends paid	(672,954)	(1,092,703)
Capital increase	-	2,032,000
Payments to acquire treasury shares	<u>-</u>	<u>(38,304)</u>
Net cash flows used in financing activities	<u>(2,519,217)</u>	<u>(2,101,007)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(230,202)</u>	<u>(227,173)</u>
NET DECREASE IN CASH	(3,346,955)	(3,637,932)
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	<u>9,852,231</u>	<u>13,490,163</u>
CASH AND CASH EQUIVALENT AT END OF THE YEAR	<u>\$ 6,505,276</u>	<u>\$ 9,852,231</u>

Reconciliation of the amounts in the statements of cash flows with the equivalent items reported in the balance sheets as of December 31, 2021 and 2020:

	<u>December 31</u>	
	2021	2020
Cash and cash equivalents reported in the balance sheets	\$ 3,801,811	\$ 3,566,116
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	2,149,671	6,286,115
Other items qualifying for cash and cash equivalents under the definition of IAS 7	<u>553,794</u>	<u>-</u>
Cash and cash equivalents at end of the year	<u>\$ 6,505,276</u>	<u>\$ 9,852,231</u>

(Concluded)

Appendix VII

O-Bank Co., Ltd.’s Articles of Incorporation:

Comparison Table of Original and Amended Articles

Amended Article	Original Article	Explanation
<p>Article 11: The shareholders’ meetings of the Bank shall include the following two types:</p> <ol style="list-style-type: none"> 1. General shareholders’ meetings: Held <u>at least once every year</u>, a general shareholders’ meeting shall be convened by the Board of Directors within six months after the end of each fiscal year. 2. Special shareholders’ meetings: <u>Held whenever necessary, in accordance with applicable laws and regulations.</u> <p>A meeting of preferred shareholders may be convened in accordance with applicable laws and regulations. <u>The Bank’s shareholders’ meetings can be held by means of visual communication network or other methods promulgated by the competent authority. Relevant</u></p>	<p>Article 11: The shareholders’ meetings of the Bank shall include the following two types:</p> <ol style="list-style-type: none"> 1. General shareholders’ meetings: Held <u>annually at the seat of the Bank’s head office</u>, a general shareholders’ meeting shall be convened by the Board of Directors within six months after the end of each fiscal year. 2. Special shareholders’ meetings: <u>Unless otherwise provided for by the Company Act, a special shareholders’ meeting is to be convened by the Board of Directors</u> when it is deemed necessary. <u>Shareholders who have held a total of not less than 3% of the Bank’s total number of issued shares for not less than one year may request the Board of Directors to convene such a meeting in writing that specifies proposals to be addressed and the reasons thereof.</u> <p>A meeting of preferred shareholders may be convened in accordance with applicable laws and regulations.</p>	<ol style="list-style-type: none"> 1. Wording is amended in accordance with the amended Article 172-2 of the <i>Company Act</i> dated on 2021.12.29 to enable companies to hold visual communication shareholders’ meeting. 2. The convening of the special shareholders’ meeting is in compliance with applicable laws and regulations.

Amended Article	Original Article	Explanation
<p><u>procedures of the visual communication meeting are in compliance with the Company Act and applicable laws and regulations.</u></p>		
<p>Article 32-1: If there is a profit after its annual closing of books, the Bank shall first set aside funds for taxes and offset the accumulated losses from previous years before appropriating 30% of the profit toward its legal reserve. No appropriation shall be required if the Bank’s legal reserve already equals the total amount of its paid-in capital. After appropriation or reverse of any special reserve and distribution of cash dividends for preferred shares, <u>if a profit remains the outstanding balance shall be the year’s undistributed earnings and</u>, together with undistributed earnings from previous years shall be used as the basis for the Board of Directors to propose distribution and seek a resolution of a shareholders’ meeting thereof. <u>In the event of a shortfall in “other previously accumulated net deductions from shareholders’ equity” when the Bank sets aside a portion of distributable earnings for special reserve, it shall first set aside an equal amount of special reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of</u></p>	<p>Article 32-1: If there is a profit after its annual closing of books, the Bank shall first set aside funds for taxes and offset the accumulated losses from previous years before appropriating 30% of the profit toward its legal reserve. No appropriation shall be required if the Bank’s legal reserve already equals the total amount of its paid-in capital. After appropriation or reverse of any special reserve and distribution of cash dividends for preferred shares, <u>if a profit remains</u>, the outstanding balance together with undistributed earnings from previous years shall be used as the basis for the Board of Directors to propose distribution and seek a resolution of a shareholders’ meeting thereof.</p>	<p>1. In accordance with the principles of 2021.3.31 Jin-Guan-Zheng-Fa-Zi Order No. 1090150022, it shall be stipulated in the Bank’s articles of incorporation that “other previously accumulated net deductions from shareholders’ equity” shall be set aside an equal amount of reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period.</p> <p>2. Define the threshold and basis for distribution of common stock dividend.</p>

Amended Article	Original Article	Explanation
<p><u>the current period that also take account of net profit plus other items of the current period.</u></p> <p>The distribution of common stock dividend shall not be lower than 20% of distributable earnings after deducting distributable but not yet distributed preferred stock dividends for the current year. <u>The aforesaid distributable earnings refer to the outstanding balance derived from deducting distributable but not yet distributed preferred stock dividends and reverse of any special reserve from the year's undistributed earnings set forth in paragraph 1 of this article. In particular, the cash dividend payout shall account for not less than 20% of the total common stock dividend payout for any given year.</u> Separately, before the legal reserve equals the total amount of capital stock, the maximum cash distribution of earnings shall not exceed 15% of the total amount of paid-in capital.</p> <p>With regard to the foregoing distribution of common stock dividends, the Bank adopts a policy of stability and balance that takes into account capital budget planning, capital needs for business operations, and commitment to a sound financial structure. The aforesaid method of dividend distribution is intended only as a principle-based guideline; the Bank may consider actual needs and, via the Board of Directors, propose</p>	<p>The distribution of common stock dividend shall not be lower than 20% of distributable earnings after deducting distributable but not yet distributed preferred stock dividends for the current year. In particular, the cash dividend payout shall account for not less than 20% of the total common stock dividend payout for any given year. Separately, before the legal reserve equals the total amount of capital stock, the maximum cash distribution of earnings shall not exceed 15% of the total amount of paid-in capital.</p> <p>With regard to the foregoing distribution of common stock dividends, the Bank adopts a policy of stability and balance that takes into account capital budget planning, capital needs for business operations, and commitment to a sound financial structure. <u>In particular, the cash dividend payout shall account for not less than 20% of the total dividend payout for any given year.</u> The aforesaid method of dividend distribution is intended</p>	

Amended Article	Original Article	Explanation
<p>an amendment and seek shareholder approval in the form of a resolution adopted by a shareholders' meeting.</p>	<p>only as a principle-based guideline; the Bank may consider actual needs and, via the Board of Directors, propose an amendment and seek shareholder approval in the form of a resolution adopted by a shareholders' meeting.</p>	
<p>Article 34 These Articles of Incorporation were enacted on June 22, 1998; the 15th amendment on June 2, 2015; the 16th amendment on October 2, 2015; the 17th amendment on June 3, 2016; the 18th amendment on June 14, 2017; the 19th amendment on June 14, 2018; the 20th amendment on June 19, 2020; <u>and the 21th amendment on June 9, 2022.</u></p>	<p>Article 34 These <i>Articles of Incorporation</i> were enacted on June 22, 1998; the 15th amendment on June 2, 2015; the 16th amendment on October 2, 2015; the 17th amendment on June 3, 2016; the 18th amendment on June 14, 2017; and the 19th amendment on June 14, 2018; and the 20th amendment on June 19, 2020.</p>	<p>The date and ordinal number of another amendment are added.</p>

Appendix VIII

O-Bank Co., Ltd. Procedural Rules Governing Shareholders' Meetings:

Comparison Table of Original and Amended Articles

Amended Article	Original Article	Explanation
<p>Article 3</p> <p>Unless otherwise provided by applicable laws or regulations, the shareholders' meetings of the Company shall be convened by the Board of Directors.</p> <p><u>Changes to how the Company 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 Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the originals of and explanatory materials relating to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of directors, and upload them onto the Market Observation Post System (MOPS) not fewer than 30 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplemental meeting materials and upload them onto the MOPS not fewer than 21 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders'</p>	<p>Article 3</p> <p>Unless otherwise provided by applicable laws or regulations, the shareholders' meetings of the Company shall be convened by the Board of Directors.</p> <p>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the originals of and explanatory materials relating to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of directors, and upload them onto the Market Observation Post System (MOPS) not fewer than 30 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplemental meeting materials and upload them onto the MOPS not fewer than 21 days before the date of a general shareholders' meeting or not fewer than 15 days before the date of a special shareholders'</p>	<ol style="list-style-type: none"> Paragraph 1, and the original paragraphs 3 to 9 are not amended. Paragraph 2 is added in order to enable shareholders to be aware of the change in the method in which shareholders' meetings are held. Any change to how the Company convenes its shareholders' meeting shall be resolved by the Board of Directors and shall be made at the latest before mailing the notice of the shareholders' meeting. The subsequent order of paragraphs is adjusted accordingly. Article 3 is amended in accordance with the principles of 2021.12.16 FSC Order Jin-Guan-Zheng-Jiao-Zi No. 11003653845 to adjust Article 6 of <i>Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies</i>. In order to allow the investors to obtain the

Amended Article	Original Article	Explanation
<p>meeting. <u>If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded on the shareholders' roster of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders' meeting.</u> In addition, not fewer than 15 days before the date of a shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda handbook and supplemental meeting materials and made them available for review by shareholders at any time. The aforesaid meeting agenda handbook and supplemental materials shall also be displayed at the Company and the shareholder services agent designated thereby.</p> <p><u>The Company 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> <ol style="list-style-type: none"> <u>1. For the physical shareholders' meetings, to be distributed on-site at the meeting.</u> <u>2. For the hybrid shareholders' meetings, to be distributed on-</u> 	<p>meeting. In addition, not fewer than 15 days before the date of a shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda handbook and supplemental meeting materials and made them available for review by shareholders at any time. The aforesaid meeting agenda handbook and supplemental materials shall also be displayed at the Company and the shareholder services agent designated thereby <u>as well as distributed at the meeting place.</u></p>	<p>content of the shareholders' meeting agenda of TWSE/TPElisted companies, the competent authority moves up the schedule for disclosure and reporting of TWSE/TPElisted companies' shareholders' meeting handbook. TWSE/TPElisted companies with the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaching 30% or more as recorded on the shareholders' roster of the shareholders' meeting held in the immediately preceding year, shall upload the shareholders' meeting agenda and supplemental meeting materials to the reporting website specified by the FSC 30 days before the date of the regular shareholders' meeting.</p> <p>4. In response to the permission for public companies to hold visual communication shareholders' meeting,</p>

Amended Article	Original Article	Explanation
<p><u>site at the meeting and shared on the visual communication platform.</u></p> <p><u>3. For the virtual-only shareholders' meetings, electronic files shall be shared on the visual communication platform.</u></p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting and the essential contents shall be explained in the notice. None of the aforesaid matters may be raised by an extempore motion.</p>	<p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders' meeting and the essential contents shall be explained in the notice. None of the aforesaid matters may be raised by an extempore motion.</p>	<p>the Company may hold physical shareholders' meetings as well as visual communication shareholders' meeting. Paragraph 2 is amended and Paragraph 4 is added in order to allow shareholders attended a physical or visual communication shareholders' meeting to review shareholders' meeting agenda and supplemental meeting materials on the day of the shareholders' meeting. The subsequent order of paragraphs is adjusted accordingly.</p> <p>5. To align with TWSE's Sample Template, the end of the original Paragraph 6 "In accordance with Article 172-1 of the Company Act,will be included in the meeting agenda" is amended and added to Paragraph 9. The subsequent order of paragraphs is adjusted accordingly.</p>

Amended Article	Original Article	Explanation
<p>Where a reelection of the Board of Directors and the date of its assuming office are specified in the notice of reasons for convening the shareholders' meeting, the said meeting shall not alter this date of assuming office by an extempore motion or any other means after the given reelection has been completed. A shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.</p> <p><u>Shareholders may submit proposals for urging the Company to promote public interests or fulfill its social responsibilities. In accordance with Article 172-1 of the Company Act, such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda.</u></p> <p>Prior to the book closure date before a general shareholders' meeting is held, the Company</p>	<p>Where a reelection of the Board of Directors and the date of its assuming office are specified in the notice of reasons for convening the shareholders' meeting, the said meeting shall not alter this date of assuming office by an extempore motion or any other means after the given reelection has been completed. A shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. Shareholders may submit proposals for urging the Company to promote public interests or fulfill its social responsibilities. In accordance with Article 172-1 of the Company Act, such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>Prior to the book closure date before a general shareholders' meeting is held, the Company</p>	

Amended Article	Original Article	Explanation
<p>shall publicly announce that it will accept shareholder proposals in writing or electronically and specify the location and time period for their submission; the period for submission of shareholder proposals shall not be fewer than 10 days.</p> <p>Shareholder proposals are limited to 300 words in writing, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the general shareholders' meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of its screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals from the meeting agenda.</p>	<p>shall publicly announce that it will accept shareholder proposals in writing or electronically and specify the location and time period for their submission; the period for submission of shareholder proposals shall not be fewer than 10 days.</p> <p>Shareholder proposals are limited to 300 words in writing, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the general shareholders' meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of its screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals from the meeting agenda.</p>	
<p>Article 4 Paragraph 1 to 3 are omitted. <u>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two days before the meeting date. If the cancellation notice is</u></p>	<p>Article 4 Paragraph 1 to 3 are omitted.</p>	<ol style="list-style-type: none"> 1. Paragraphs 1 to 3 are not amended. 2. Paragraph 4 is added to specify that in case of a shareholder appointing a proxy to attend a shareholders' meeting, after a proxy form has been delivered to the Company, if the

Amended Article	Original Article	Explanation
<p><u>submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>		<p>shareholder wishes to attend the meeting online, a written notice of proxy cancellation shall be submitted to the Company two days before the meeting date”.</p>
<p>Article 5 The venue for a shareholders’ meeting shall be the premises of the Company 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 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 the Company convenes a virtual-only shareholders meeting.</u></p>	<p>Article 5 The venue for a shareholders’ meeting shall be the premises of the Company 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 independent directors with respect to the place and time of the meeting.</p>	<ol style="list-style-type: none"> 1. This article has been moved to Paragraph 1 without amendment to its content. 2. Paragraph 2 is added to specify that the restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.
<p>Article 6 The Company shall specify in its shareholders’ meeting notices the time during which shareholder, <u>solicitors, and proxies (hereinafter “shareholders”)</u> attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations are to be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations</p>	<p>Article 6 The Company shall specify in its shareholders’ meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations are to be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations</p>	<ol style="list-style-type: none"> 1. Paragraphs 4 to 6 are not amended. 2. Paragraph 2 is amended to specify the time and procedure for the shareholders to register for attendance to the meeting. 3. The collectively referred name for “shareholders” is established in Paragraph 1, and hence, Paragraph 3 is amended accordingly. 4. Paragraph 7 is added to specify that shareholders wishing to attend the

Amended Article	Original Article	Explanation
<p>are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For visual communication shareholders' meetings, shareholders may begin to register on the visual communication platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the shareholders' meeting in person.</u></p> <p>Shareholders shall present attendance cards, sign-in cards, or other certificates of attendance to attend shareholders' meetings. The Company shall 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>Paragraph 4, 5 and 6 are omitted. <u>In the event of a visual communication shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date. In the event of a visual communication shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the visual communication platform at least</u></p>	<p>are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p>Shareholders <u>and their proxies (hereinafter "shareholders")</u> shall present attendance cards, sign-in cards, or other certificates of attendance to attend shareholders' meetings. The Company shall 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>Paragraph 4, 5 and 6 are omitted.</p>	<p>meeting online shall register with the Company two days before the meeting date</p> <p>5. Paragraph 8 is added for the Company to upload the shareholders' meeting agenda handbook, the annual report, and other relevant meeting materials to the visual communication platform, allowing the shareholders attending the visual communication shareholders' meeting to review such materials.</p>

Amended Article	Original Article	Explanation
<u>30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u>		
<u>Article 6-1</u> <u>To convene a visual communication shareholders meeting, the Company shall include the follow particulars in the shareholders' meeting notice:</u> <u>1. How shareholders attend the visual communication meeting and exercise their rights.</u> <u>2. Actions to be taken if the visual communication platform or participation in the visual communication meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u> <u>(1) 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> <u>(2) Shareholders not having registered to attend the affected visual communication shareholders' meeting shall not attend the postponed or resumed session.</u> <u>(3) In case of a hybrid shareholders' meeting, when the visual</u>		1. This article is added. 2. In order to inform shareholders of their rights and restrictions of attendance before the meeting, it is hereby stipulated that the shareholders' meeting notice shall include the methods for shareholders to participate in the visual communication meeting and exercise their relevant rights, handling methods for the situations preventing the attendance on the visual communication platform or through visual communication meeting due to natural disaster, unexpected events, or other force majeure events, which shall include at least the date when the meeting must be adjourned or reconvened and how long shall the disconnect lasts before the meeting shall be considered to be postponed or reconvened, provisions in Paragraph 1, 2, 4, and 5, Article 44 – 20 of <i>Regulations Governing the Administration of</i>

Amended Article	Original Article	Explanation
<p><u>communication meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the visual communication shareholders meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the visual communication meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the visual communication meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>(4) 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>3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a visual communication shareholders meeting online shall be specified.</u></p>		<p><i>Shareholder Services of Public Companies</i>, the announced results of all proposals, handling methods for failure to make an extraordinary motions, and the provisions of adequate alternative measures for the shareholders having difficulties attending the virtual-only shareholders' meeting.</p>

Amended Article	Original Article	Explanation
<p>Article 8 Paragraph 1 and 2 are omitted. <u>Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the visual communication meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the visual communication meeting provider.</u></p>	<p>Article 8 Paragraph 1 and 2 are omitted.</p>	<ol style="list-style-type: none"> Paragraph 1 and 2 are not amended. Paragraph 3 and 4 are added to specify that with reference to Article 183 of the <i>Company Act</i> and Article 18 of the <i>Regulations Governing Procedure for Board of Directors Meetings of Public Companies</i>, it is stipulated that the Company shall keep records of shareholders' registration, sign-in, check-in questions raised, vote cast and the results of votes counted; make an uninterrupted audio and video recording of the proceedings of the visual communication shareholders' meeting; properly keep the materials during the Company's existence and provide for the visual communication meeting provider to keep the materials.
<p>Article 9 Attendance at shareholders' meetings shall be calculated based on the number 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, <u>and the</u></p>	<p>Article 9 Attendance at shareholders' meetings shall be calculated based on the number 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</p>	<ol style="list-style-type: none"> Paragraph 1 is amended to specify that when the Company holds a visual communication shareholders' meeting, the calculation for total number of shares in attendance shall be added with the number

Amended Article	Original Article	Explanation
<p><u>shares checked in on the visual communication platform</u>, plus the number of shares whose voting rights are exercised in writing or by electronic means.</p> <p>The chair shall call the meeting to order at the appointed time, and announce the number of shares with no voting right and the number of shares held by the attending shareholders.</p> <p><u>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 not more than two such postponements, for a combined total of not 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. In the event of a visual communication shareholders' meeting, the Company shall also declare the meeting is adjourned at the visual communication 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 <i>Company Act</i>; all shareholders shall be notified</p>	<p>number of shares whose voting rights are exercised in writing or by electronic means.</p> <p>The chair shall call the meeting to order at the appointed time, and announce the number of shares with no voting right and the number of shares held by the attending shareholders. 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 not more than two such postponements, for a combined total of not 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 <i>Company Act</i>; all shareholders shall be notified</p>	<p>of shares from the shareholders whose attendance registration through video conferencing are accepted.</p> <p>2. Paragraph 3 is added to specify that when the Company holds a visual communication shareholders' meeting, in the event that the Chair announces the adjournment of the meeting, the Company shall separately announce the adjournment on the visual communication platform for the shareholders' meeting so as to inform the shareholders immediately. In addition, the middle and end of the original Paragraph 2 "However, when the attending shareholders do not represent a majority of the total number of issued shares,.... the chair shall declare the meeting adjourned." is added to Paragraph 3 to align with TWSE's Sample Template. The subsequent order of paragraphs is adjusted accordingly.</p> <p>3. Paragraph 4 is amended to specify that if the Company made a</p>

Amended Article	Original Article	Explanation
<p>of the tentative resolution and another shareholders' meeting shall be convened within one month. <u>In the event of a visual communication shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</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 <i>Company Act</i>.</p>	<p>of the tentative resolution and another shareholders' meeting shall be convened within one 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 <i>Company Act</i>.</p>	<p>tentative resolution to convene a separate shareholders' meeting, shareholders intending to attend by video conferencing shall register with the Company.</p>
<p>Article 11 Paragraph 1 to 6 are omitted. <u>Where a visual communication shareholders' meeting is convened, shareholders attending the meeting online may raise questions in writing at the visual communication platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p>	<p>Article 11 Paragraph 1 to 6 are omitted.</p>	<ol style="list-style-type: none"> 1. Paragraph 1 to 6 are not amended. 2. Paragraph 7 is added for the purpose of specifying the methods, procedures and limitations of questions asked by shareholders attending the visual communication shareholders' meetings.
<p>Article 13 Paragraph 1, 2 and 3 are omitted. After a shareholder has exercised voting rights in writing or by electronic means, in the event that the shareholder intends to</p>	<p>Article 13 Paragraph 1, 2 and 3 are omitted. After a shareholder has exercised voting rights in writing or by electronic means, in the event that the shareholder intends to</p>	<ol style="list-style-type: none"> 1. Paragraphs 1 to 3, and 5 are not amended. 2. Paragraph 4 is amended to specify that after a shareholder has exercised voting rights in

Amended Article	Original Article	Explanation
<p>attend the shareholders' meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, not fewer than two days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has both exercised voting rights in writing or by electronic means and appointed a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail. Paragraph 5 is omitted.</p> <p><u>(Deleted)</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any of them is passed, the other</p>	<p>attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, not fewer than two days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has both exercised voting rights in writing or by electronic means and appointed a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Paragraph 5 is omitted.</p> <p><u>If no objection is voiced after solicitation by the chair, a resolution shall be deemed adopted and shall have the same effect as if it had been put to a vote. If objection is indeed voiced (including the exercise of voting rights in writing or by electronic means to indicate objection or abstention), the case shall be put to a vote.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any of them is passed, the other</p>	<p>writing or by electronic means, in the event the shareholder intends to attend the visual communication shareholders' meeting, a declaration of intent to retract the voting rights shall be exercised by the same method.</p> <p>3. Currently listed companies adopt item-by-item voting and disclose the results thereof in shareholders' meetings. Given this practice that all proposals shall be put to vote in shareholders' meetings, Paragraph 6 is thus deleted to no longer specify if shareholders have voiced any objection in the process to decide whether a resolution shall be deemed approved or whether the case shall be put to a vote.</p> <p>4. Paragraph 9 and 10 are added to specify that when holding the visual communication shareholders' meeting, in order to provide the shareholders attended through video conferencing with sufficient time to vote, voting on each original motion may be conducted from the time</p>

Amended Article	Original Article	Explanation
<p>proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on the spot, and a record made of the vote.</p> <p><u>When the Company convenes a visual communication shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the visual communication platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a visual communication 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 the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting</u></p>	<p>proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on the spot, and a record made of the vote.</p>	<p>the meeting is commenced by the chair until the time that the end of voting is announced, and the counting operation must be a one-time count to match the voting time of shareholders attended through video conferencing".</p> <p>5. Paragraph 11 is added to specify that, "if a shareholder who registered to attend the hybrid shareholders' meeting intends to attend a physical shareholders' meeting, he or she shall exercise a declaration of intent to retract the registration with the same method as the registration was made 2 days prior to the day of the shareholders' meeting; if the declaration of intent to retract was made overdue, then he or she may only attend the shareholders' meeting by video conferencing".</p> <p>6. According to the principles of 2012.2.24 Ministry of Economic Affairs Jing-Shang-Zi No. 10102404740 and Jing-Shang-Zi No. 10102414350, the shareholders who exercise their voting</p>

Amended Article	Original Article	Explanation
<p><u>online in accordance with Article 6 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 in writing or by electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for 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>rights electronically and who have not made declaration of intent to retract may not propose amendments to the original motion and may not exercise their voting rights again. However, on the day of the meeting, the shareholder may still attend the meeting and may make a provisional motion on site and may exercise his or her voting rights. In addition, considering that both written and electronic voting are the ways to exercise shareholders' rights, and based on the principle of fair treatment, written voting should also follow the spirit of the regulation of electronic voting in order to protect shareholders' rights and interests, it is hereby stipulated in Article 12 that shareholders who exercise their voting rights in writing or electronically may still register to attend the shareholders' meetings without retracting their intent, but they may not vote on the original motion or the amendment to the original motion, and may not propose an</p>

Amended Article	Original Article	Explanation
		amendment to the original motion, except for extraordinary motions.
<p>Article 15 Paragraph 1 to 3 are omitted. <u>(Deleted)</u></p> <p><u>Where a visual communication 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 the minute taker's name, and actions to be taken in the event of disruption to the visual communication 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>Article 15 Paragraph 1 to 3 are omitted. <u>For the resolution methods referred to in the preceding paragraph, a resolution shall be recorded as "the resolution was adopted based on the unanimous concurrence of shareholders" if no objection was voiced after solicitation by the chair. If objection is indeed voiced, however, the voting approach and the number of votes with which the resolution in question was adopted as well as their percentage of the total number of issued shares shall be specified in the resolution method.</u></p>	<p>1. Paragraphs 1 to 3 are not amended.</p> <p>2. Currently listed companies adopt item-by-item voting and disclose the results thereof in shareholders' meetings. Given this practice that all proposals shall be put to vote in shareholders' meetings, Paragraph 4 is thus deleted to no longer specify if shareholders have voiced any objection in the process. The Bank, pursuant to Paragraph 4, Article 183 of the <i>Company Act</i>, shall record the following in the minutes of its shareholders' meetings: the method of adopting resolutions, a summary of the essential points of the proceedings, and the results of the meetings. The subsequent order of paragraphs is adjusted accordingly.</p> <p>3. Paragraph 4 is added to specify that to facilitate shareholders' understanding of the resolutions of the visual communication shareholders' meeting,</p>

Amended Article	Original Article	Explanation
<p><u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.</u></p>		<p>alternative measures for shareholders with digital divide, and the handling of network disconnection, the Company is required, when preparing the minutes of the shareholders' meeting, to record the starting and ending time of the meeting, the method of holding the meeting, the names of the chair and the minute taker, and the handling methods for and actions taken on the situations preventing the attendance on the visual communication platform or through visual communication meeting due to natural disasters, unexpected events or other force majeure events, in addition to the matters that should be recorded in accordance with the provisions of Paragraph 3.</p> <p>4. When holding a visual communication shareholders' meeting, the Company shall specify in the meeting notices the provision of adequate alternative measures to shareholders having difficulties attending the virtual-only shareholders' meeting. Paragraph 5 is added to establish that</p>

Amended Article	Original Article	Explanation
		the Company shall specify in the meeting minutes the provision of the alternative measures to such shareholders having digital divide.
<p>Article 16 On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, <u>the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting in writing or by electronic means</u>, and shall make a disclosure of the same at the place of the meeting. <u>In the event a visual communication shareholders meeting, the Company shall upload the above meeting materials to the visual communication platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> <u>During the Company's visual communication shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the visual communication platform.</u> <u>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>Article 16 On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation <u>as well as the number of shares represented by proxies</u>, and shall make a disclosure of the same at the place of the meeting.</p>	<ol style="list-style-type: none"> 1. The Company shall make an express disclosure of the number of shares obtained by solicitors through solicitation, the number of shares represented by the proxies, and number of shares attended in writing or electronically at the place of the shareholders' meeting for the shareholders to know. Paragraph 1 is amended to specify that when holding the visual communication shareholders' meeting, such statistical statement shall be uploaded to the visual communication platform for the shareholders' meeting. 2. Paragraph 2 is added to specify that in order to enable shareholders attending the visual communication shareholders' meeting-to know simultaneously whether the number of shareholders' attendance has reached the threshold of the shareholders' meeting, it

Amended Article	Original Article	Explanation
<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, the Company shall upload the content of the resolution in question onto the MOPS within the prescribed time period.</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, the Company shall upload the content of the resolution in question onto the MOPS within the prescribed time period.</p>	<p>is specified that the Company shall disclose the total number of shares in attendance on the visual communication platform from the time the meeting is commenced by the chair, and subsequently disclose the total number of shares in attendance, and the number of votes on the visual communication platform if there are any further statistical statement. The subsequent order of paragraphs is adjusted accordingly.</p>
<p><u>Article 19</u> <u>In the event of a visual communication shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the visual communication platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>		<ol style="list-style-type: none"> 1. This article is added. 2. This article is added to specify the sufficient information disclosure time for the shareholders attending the visual communication shareholders' meeting-to know the voting status of each proposal and the election results immediately.
<p><u>Article 20</u> <u>When the Company convenes a virtual-only shareholders meeting, both the chair and minute taker 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>		<ol style="list-style-type: none"> 1. This article is added. 2. The provision is added to specify that when holding the visual communication shareholders' meeting without physical meeting place, the chair and the minute taker shall be in the same domestic

Amended Article	Original Article	Explanation
		location; the chair shall also announce the address of their location at the meeting for the shareholders to know the location of the chair.
<p><u>Article 21</u> <u>In the event of a visual communication shareholders' meeting, when declaring the meeting open, the chair or a person designated by 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 paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the visual communication platform or participation in the visual communication 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 5 days, in which case Article 182 of the Company Act shall not apply. 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</u></p>		<p>1. This article is added. 2. Paragraph 1 is added to specify that when the Company holds a visual communication shareholders' meeting, the chair shall announce at the meeting that, in the event of a natural disaster, unforeseen event or any other force majeure that prevents attendance on the visual communication platform for at least 30 minutes, the provisions in Article 182 of the Company Act shall not apply where a resolution by shareholders' meeting is required to convene the meeting within 5 days, or to decide on the date to reconvene the meeting. This article does not apply to the case where the prevention of the Company, the visual communication platform, the shareholders, the solicitors, or proxies from convening or attending the visual communication shareholders' meeting, either intentionally, or</p>

Amended Article	Original Article	Explanation
<p><u>postponed or resumed session. For a meeting to be postponed or resumed under the first 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></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the first 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 the Company convenes a hybrid shareholders meeting, and the visual communication meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the visual communication shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the</u></p>		<p>through negligence.</p> <p>3. Paragraph 2 is added to specify that in the event that the Company shall postpone or reconvene the meeting as circumstances described in Paragraph 1 occurred, shareholders (including solicitors and proxies) who did not register to attend the original visual communication shareholders' meeting may not attend the postponed or reconvened meeting in accordance with Paragraph 2, Article 44 – 20 of the <i>Regulations Governing the Administration of Shareholder Services of Public Companies</i>. It is also described in the paragraph that in the case of holding a hybrid shareholders' meeting, the shareholders originally attended the physical shareholders' meeting may continue to attend the postponed or reconvened physical meeting.</p> <p>4. Paragraph 3 is added to specify that in the event that the Company shall postpone or reconvene the meeting in accordance with Paragraph 1, for</p>

Amended Article	Original Article	Explanation
<p><u>shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required. Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the visual communication 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. When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under second half of Article 12, and paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies; paragraph 2, Article 44-5, Article 44-15, and paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p>		<p>shareholders (including solicitors and proxies) who registered to attend the original visual communication shareholders' meeting and whose attendance registration was accepted but did not attend the postponed or reconvened meeting, their number of shares in attendance, exercised votes and number of votes they received shall be counted towards the total number of shares in attendance, exercised votes and number of votes at the postponed or reconvened meeting in accordance with Paragraph 3, Article 44-20 of the <i>Regulations Governing the Administration of Shareholder Services of Public Companies</i>.</p> <p>5. Paragraph 4 is established to specify that in the event that the meeting cannot be continued due to network connection and required to be postponed or reconvened, the completed vote casting and counting in the previous meeting with the announcement of results of voting or the elected list of directors</p>

Amended Article	Original Article	Explanation
<p><u>the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.</u></p>		<p>and supervisors, these proposals may be deemed as complete resolutions, which does not require re-discussion or another resolution to reduce the meeting time and cost of the reconvened meeting.</p> <p>6. Paragraph 5 is established to specify that considering that both physical and visual communication meeting are held in a hybrid shareholders' meeting, in the event of force majeure preventing the attendance on the visual communication platform or through visual communication meeting, since a physical shareholders' meeting has been held, after deducting the number of shares attended to the visual communication shareholders' meeting, if the total number of shares in attendance exceeds the legal amount of meeting participants, the shareholders' meeting shall continue without the need to postpone or reconvene the meeting in accordance with Paragraph 1.</p> <p>7. Paragraph 6 is added to specify that in the event</p>

Amended Article	Original Article	Explanation
		<p>that the Company shall continue the meeting without postponing or reconvening the meeting as circumstances described in Paragraph 1 occurred, in accordance with Paragraph 5, Article 44-20 of the <i>Regulations Governing the Administration of Shareholder Services of Public Companies</i>, for shareholders (including solicitors and proxies) attending the visual communication shareholders' meeting, their number of shares in attendance shall be counted towards the total number of shares in attendance, provided these shareholders shall be deemed abstaining from voting on all proposals of that meeting.</p> <p>8. Paragraph 7 is established to specify that considering the same nature of the postponed or reconvened meeting due to network disconnection as the original shareholders' meeting, it is not required to handle the preparatory work for the shareholders' meeting in accordance with Paragraph 7, Article</p>

Amended Article	Original Article	Explanation
		<p>44-20 of the <i>Regulations Governing the Administration of Shareholder Services of Public Companies</i> for the date of the postponed or reconvened meeting.</p> <p>9. Paragraph 8 is established to specify that considering the visual communication shareholders' meeting has been postponed, the matters to be disclosed in the announcement on the day of the shareholders' meeting in the second half of the paragraph of Article 12 and Paragraph 3, Article 13 of <i>Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies</i>, Paragraph 2, Article 44 - 5, Article 44-15, and Paragraph 1, Article 44-17 of <i>Regulations Governing the Administration of Shareholder Services of Public Companies</i> shall be disclosed again on the day of the postponed or reconvened meeting for the shareholders to know.</p>
<p><u>Article 22</u> <u>When convening a virtual-only shareholders' meeting, the</u></p>		<p>1. This article is added. 2. Considering the digital divide with the</p>

Amended Article	Original Article	Explanation
<p><u>Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a visual communication shareholders meeting online.</u></p>		<p>shareholders when holding a virtual-only shareholders' meeting, the Company shall provide shareholders with adequate alternative measures, such as exercising their voting rights in writing or lending the necessary equipment to shareholders for attendance.</p>
<p><u>Article 23</u> <u>When the Company holds a shareholders' meeting, the shareholders shall not record video or audio of the meeting, to protect the rights of the attendants and the Company.</u></p>		<ol style="list-style-type: none"> 1. This article is added. 2. Article 23 is added to protect the rights of the attendants and the Company, with the aim to prevent the improper usage or inappropriate comments from the video or audio recording.
<p>Article <u>24</u> These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.</p>	<p>Article <u>19</u> These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.</p>	<p>Article numbers are adjusted in accordance with the addition of new articles.</p>

Appendix IX

O-Bank Co., Ltd.’s Procedures for Assets Acquisition or Disposal:

Comparison Table of Original and Amended Articles

Amended Article	Original Article	Explanation
<p>Article 5</p> <p>Professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. This provision, however, does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the Company is required to obtain appraisal reports from 	<p>Article 5</p> <p>Professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. This provision, however, does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the Company is required to obtain appraisal reports from 	<ol style="list-style-type: none"> 1. Paragraph 2 of this Article is amended in accordance with the principles of 2022.1.28 Financial Supervisory Commission (FSC) Order Jin-Guan-Zheng -Fa-Zi No. 1110380465 to adjust Article 5 of the <i>Regulations Governing the Acquisition or Disposal of Assets by Public Companies</i>. It is stipulated that when professional appraisers and their appraising officers, certified public accountants, attorneys or securities underwriters issue appraisal reports or opinions, in addition to handling relevant operations listed in Paragraph 2, they shall follow the self-regulatory rules of the respective associations. 2. Considering that the external experts’ acceptance and issuance of appraisal reports or opinions as aforementioned do not

Amended Article	Original Article	Explanation
<p>two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>self-regulatory rules of the industry associations to which they belong</u> and with the following <u>provisions</u>:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When executing a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers 3. They shall undertake an item-by-item evaluation of the <u>appropriateness and</u> reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and 	<p>two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and 	<p>refer to the examination of financial statement, the wording “examining” a case in Subsection 2, paragraph 2 of this Article is amended to “executing” a case.</p> <p>3. Wording in Subsection 3 and 4 of Paragraph 2 is amended in accordance with Item 3-5, Subsection 4, Paragraph 4, Article 9 of the <i>Regulations Governing the Preparation of Financial Reports by Securities Issuers</i>, the principles of 2014.12.25(103) ROC Accounting Research and Development Foundation (ARDF) Order Ji-Mi- Zi No. 0000000298, and Article 27 of Valuation Standard No. 8 by ARDF to describe the appropriateness and reasonableness of the sources of data and the parameters. The original wording “evaluation of the comprehensiveness, accuracy, and reasonableness ...” is amended to “evaluation of the appropriateness and reasonableness...”</p>

Amended Article	Original Article	Explanation
<p>independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations.</p>	<p>independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</p>	
<p>Article 7 In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% 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, or acquiring or disposing of equipment or right-of-use assets thereof for business use, 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> <p>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted to the Board of Directors for approval in advance; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p>	<p>Article 7 In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% 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, or acquiring or disposing of equipment or right-of-use assets thereof for business use, 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> <p>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted to the Board of Directors for approval in advance; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p>	<p>According to the principles of 2022.1.28 FSC Order Jin-Guan-Zheng-Fa-Zi No. 1110380465 to adjust Article 9 of the <i>Regulations Governing the Acquisition or Disposal of Assets by Public Companies</i>, considering that Article 5 is amended to require external experts to issue opinions and follow the self-regulatory rules of the respective associations, the provision regarding the certified public accountants' compliance with the executing procedure when issuing the opinions is included. Thus, Subsection 3, Paragraph 1 of this Article, which stipulated that certified public accountants shall comply with the provisions of Statement of Auditing Standards No. 20 published by ARDF is deleted accordingly.</p>

Amended Article	Original Article	Explanation
<p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction 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</p>	<p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction 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</p>	

Amended Article	Original Article	Explanation
<p>professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	<p>professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	
<p>Article 8 When acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NT\$300 million or more, the company shall additionally 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. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Article 8 When acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NT\$300 million or more, the company shall additionally 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>When a certified public accountant requires the adoption of the external experts' reports, he or she shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>The reason for the amendment is the same as Article 7.</p>

Amended Article	Original Article	Explanation
<p>Article 9 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of its 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 render an opinion on the reasonableness of the transaction price.</p>	<p>Article 9 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of its 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 render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	<p>The reason for the amendment is the same as Article 7.</p>
<p>Article 12 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company</p>	<p>Article 12 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company</p>	<p>1. According to the principles of 2022.1.28 FSC Order Jin-Guan-Zheng-Fa-Zi No. 1110380465 to adjust Article 15 of the <i>Regulations Governing the Acquisition or Disposal of Assets by Public Companies</i>, after taking into account the norms of major international securities markets, it is stipulated that, for the acquisition or disposal of assets with a related party by the Bank or its subsidiary that is not a domestic public company, if the</p>

Amended Article	Original Article	Explanation
<p>may not proceed to enter into a transaction contract or make a payment until the following matters have been first approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of Article 32, paragraphs 3 and 4:</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing a related party as the transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 13 and Article 14. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 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>may not proceed to enter into a transaction contract or make a payment until the following matters have been first approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of Article 32, paragraphs 3 and 4:</p> <ol style="list-style-type: none"> 1. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing a related party as the transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 13 and Article 14. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 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>transaction amount reaches 10% of the total assets of the Bank, the Bank shall submit relevant materials to the shareholders' meeting for approval before proceeding in order to protect shareholders' rights and interests. However, considering the Bank's business plan, the transaction is exempted from the resolution of the shareholders' meeting for the dealing of the Bank or subsidiary, or the dealing between its subsidiaries.</p> <ol style="list-style-type: none"> 2. The current Paragraph 3 is moved to Paragraph 2 and the current Paragraph 2 is moved to Paragraph 4. In addition, Paragraph 3 is added to stipulate that the calculation of the transaction amounts shall be approved by the shareholders' meeting.

Amended Article	Original Article	Explanation
<p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to Article 7, paragraph 1, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p>	<p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding 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 made in accordance with Article 24, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by more than half of all audit committee members and for which a Board of Directors resolution has been secured need not be counted toward the transaction amount.</u></p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to Article 7, paragraph 1, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p>	

Amended Article	Original Article	Explanation
<p>1. Acquisition or disposal of equipment or right-of-use assets thereof for business use.</p> <p>2. Acquisition or disposal of real property right-of-use assets for business use.</p> <p>When a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p><u>If the company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10 % or more of the public company's total assets, the public company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the public company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in paragraph 1 and the preceding paragraph shall be made in accordance with Article 24, paragraph 2 herein, and "within the preceding year"</u></p>	<p>1. Acquisition or disposal of equipment or right-of-use assets thereof for business use.</p> <p>2. Acquisition or disposal of real property right-of-use assets for business use.</p> <p>When a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p>	

Amended Article	Original Article	Explanation
<p><u>as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by more than half of all audit committee members and for which a Board of Directors and the shareholders' meeting resolution has been secured need not be counted toward the transaction amount.</u></p>		
<p>Article 24 Under any of the following circumstances, the Company shall publicly announce and report relevant information with respect to its acquisition or disposal of assets on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days (inclusive) of the occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more. This shall not apply, however, to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market 	<p>Article 24 Under any of the following circumstances, the Company shall publicly announce and report relevant information with respect to its acquisition or disposal of assets on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days (inclusive) of the occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of the Company's paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more. This shall not apply, however, to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market 	<ol style="list-style-type: none"> 1. According to the principles of 2022.1.28 FSC Order Jin-Guan-Zheng-Fa-Zi No. 1110380465 to adjust Article 31 of the <i>Regulations Governing the Acquisition or Disposal of Assets by Public Companies</i>, considering that the public companies were exempted from public announcements and reporting on the trading of domestic government bonds, Item 1, Subsection 7, Paragraph 1 is amended to stipulate the relaxation that the trading of foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan is exempt from making a public announcement. 2. Considering that the

Amended Article	Original Article	Explanation
<p>funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p>4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>(1) For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Where land is acquired under an arrangement on the engaging of others to build on the Company's own land, engaging of others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale; the transaction counterparty is not a related party; and the amount the</p>	<p>funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p>4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>(1) For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Where land is acquired under an arrangement on the engaging of others to build on the Company's own land, engaging of others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale; the transaction counterparty is not a related party; and the amount the</p>	<p>nature of foreign government bonds is simple and their credit ratings are usually better than those of ordinary foreign corporate bonds, and that the product nature of exchange traded notes (ETNs) is similar to that of exchange traded funds (ETFs), Item 2, Subsection 7, Paragraph 1 is amended to stipulate the relaxation that professional investors are exempt from making an announcement for their subscription to foreign government bonds and their subscription to or redemption of ETNs in the primary market.</p>

Amended Article	Original Article	Explanation
<p>Company expects to invest in the transaction reaches NT\$500 million or more.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million. This shall not apply, however, to the following circumstances:</p> <p>(1) Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds, or of ordinary corporate bonds</u> or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription <u>or redemption of exchange traded notes, or subscription</u> by a securities firm of securities as necessitated by its</p>	<p>Company expects to invest in the transaction reaches NT\$500 million or more.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million. This shall not apply, however, to the following circumstances:</p> <p>(1) Trading of domestic government bonds.</p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company,</p>	

Amended Article	Original Article	Explanation
<p>undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions cited above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1) The amount of any individual transaction. 2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3) The cumulative transaction amount of acquisitions and disposals (accumulations of acquisitions and disposals compiled separately) of real property or right-of-use assets thereof within the same development project within the preceding year. 4) The cumulative transaction amount of acquisitions and disposals (accumulations of acquisitions and disposals compiled separately) of the same security within the preceding year. <p>“Within the preceding year” as used in the preceding paragraph</p>	<p>in accordance with the regulations of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions cited above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1) The amount of any individual transaction. 2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3) The cumulative transaction amount of acquisitions and disposals (accumulations of acquisitions and disposals compiled separately) of real property or right-of-use assets thereof within the same development project within the preceding year. 4) The cumulative transaction amount of acquisitions and disposals (accumulations of acquisitions and disposals compiled separately) of the same security within the preceding year. <p>“Within the preceding year” as used in the preceding paragraph</p>	

Amended Article	Original Article	Explanation
<p>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 compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies 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>If the Company, at the time of public announcement, makes an error or omission in an item required by regulations to be publicly announced, the Company shall correct it. All the items shall be again publicly announced and reported in their entirety within two days of the date (inclusive) of knowing of such error or omission.</p> <p>The Company shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports, and CPA, attorney, and securities underwriter opinions with respect to its acquisition or disposal of assets at the Company, where they shall be retained for 5 years except where another act provides otherwise.</p>	<p>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 compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies 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>If the Company, at the time of public announcement, makes an error or omission in an item required by regulations to be publicly announced, the Company shall correct it. All the items shall be again publicly announced and reported in their entirety within two days of the date (inclusive) of knowing of such error or omission.</p> <p>The Company shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports, and CPA, attorney, and securities underwriter opinions with respect to its acquisition or disposal of assets at the Company, where they shall be retained for 5 years except where another act provides otherwise.</p>	

Appendix X

Shareholdings of Directors

Record Date (Book Closure Date): April 19, 2022

Position	Name		Date of Election	Shareholding When Elected		Current Shareholding	
				Shares	Ratio%	Shares	Ratio%
Chairman	Lo, Tina Y.	Representatives of Ming Shan Investment Co., Ltd.	2020.6.19	250,769,967	10.39	362,298,574	13.25
Director	Lo, Nina Y.C.		2020.6.19	*23,972,980	7.99	*23,972,980	*8.02
Managing Director	Lo, Kenneth C.M.		2020.6.19	1,296,443	0.05	1,431,228	0.05
				*128,945	0.04	*128,945	0.04
Managing Director	Yeh, Roy J.Y.	Representatives of Yi Chang Investment Co., Ltd.	2020.6.19	240,254,084	9.96	265,221,793	9.70
Director	Lin, Gordon W.C.		2020.6.19	*23,786,204	7.93	*23,786,204	*7.95
Independent Managing Director	Hu, Fu- Hsiung		2020.6.19	-	-	-	-
Independent Director	Lin, Hank H.K.		2020.6.19	-	-	-	-
Independent Director	Liu, Richard R.C.		2020.6.19	-	-	-	-
Director	Taiwan Cement Corp. Representative: Huang, Edward Chien Chiang		2020.6.19	29,719,000	1.23	32,808,744	1.20
				*2,955,881	*0.99	*2,955,881	*0.99
Director	Chen, Shih-Tze	Representatives of Tai Ya Investment Co., Ltd.	2020.6.19	75,307,768	3.12	83,137,161	3.04
	Lee, Elton F.Y.		2020.6.19	*7,490,185	*2.50	*7,490,185	*2.50
Director	Abag Investment Holdings Co., Ltd. Representative: Cheng, George C.J.		2020.6.19	50,000	0.002	54,728	0.002
Director	Lee, Mark J.C.		2020.6.19	100,390	0.004	100,390	0.004
				*9,984	*0.003	*9,984	*0.003
Director	Lin, Bill K.C.		2020.6.19	-	-	140,000	0.01

Note:

1. "*" denotes Class A Preferred Shares in this Table.
2. Total common shares issued as of June 19, 2020 (date elected): 2,413,006,30
Total preferred shares A issued as of June 19, 2020 (date elected): 300,000,000
3. Total common shares issued as of April 19, 2022 (book closure date): 2,733,992,301
Total preferred shares A issued as of April 19, 2022 (book closure date): 299,014,000
the Bank's total shares in issue stood at 3,033,006,301
4. The Bank's board directors are required by law to hold a minimum of 72,792,151 shares. As of April 19, 2022, the roster of shareholders showed all directors to hold a combined 803,536,797 shares (Shareholdings of independent directors are not included in those of all directors.)
5. The Bank has established its Audit Committee, so the legal requirement over the minimum shareholdings of supervisors no longer applies.