

Shin Kong Financial Holding Co., Ltd.

Donation Management Guidelines

Passed in a resolution of the Board of Directors on November 25, 2014
Reviewed and amended by the Board of Directors on March 24, 2017
Reviewed and amended by the Board of Directors on May 23, 2023

Article 1 Purpose

To fulfill corporate social responsibility, actively participate in social engagement and charitable endeavors, enhance corporate image, and establish clear guidelines for donation management, we have formulated the regulations in accordance with Article 18 of the "Corporate Governance Best Practices Guidelines of Shin Kong Financial Holding Co., Ltd." for compliance purposes.

Article 2 Scope of application

All donation-related operations and management of the Company shall strictly adhere to the procedures stipulated in the Guidelines with prior approval before implementation.

Article 3 Management unit

The management unit of the Company for donation matters is the Public Affairs Department.

Article 4 Donation Principles

- I. The Company is prohibited from making donations if it has accumulated losses or incurred losses in the current year. However, this restriction does not apply to charitable donations for urgent disaster relief or donations approved by the Board of Directors.
- II. The donations made by the Company can be in the form of cash or assets.

Article 5 Donation Procedure

- I. Evaluation Method: The donation management unit shall conduct a detailed analysis and evaluation of matters such as reasons, recipients, channels, methods, and media disclosure.
- II. Authorities of Approval:
 - (I) Donations below NT\$5M per transaction shall be approved by the Chairman.

- (II) Donations exceeding NT\$5M per transaction shall require approval by the Board of Directors.
- (III) For donations to related parties or significant donations to non-related parties, approval must be obtained through a resolution agreed upon by a minimum of two-thirds of the board members present and voting, with at least three-quarters of the attending directors voting in favor.
- (IV) The term "related parties" referred to in the preceding paragraph includes the following entities:
 - 1. "Related parties" as defined by the Financial Reporting Framework for Financial Holding Companies.
 - 2. Stakeholders as stipulated in Article 45 of the Financial Holding Company Act.
 - 3. Potential stakeholders as defined in the "Code for Transactions between Shin Kong Financial Holding Co., Ltd. and Its Subsidiaries and Potential Stakeholders".The term "significant donations to non-related parties" refers to donations where the individual donation amount or the cumulative donation amount to the same recipient within one year reaches NT\$100M or exceeds 2% of the latest year's audited pre-tax net profit or 5% of the paid-up capital, as certified by the accountant in the financial report.
- (V) The term "within one year" referred to in the preceding paragraph is calculated retroactively from the date of board meeting.
- (VI) The approval authority for asset donations in the Company is determined based on their book value.

III. Disbursement Method: In accordance with the Company's "Budget Guidelines" and "Profit-seeking Enterprise Income Tax Audit Criteria".

Article 6 Prohibited Actions and Exceptions

- I. Prior to obtaining approval for donations, the departments are prohibited from disclosing donation details to the public without authorization.
- II. In cases where donations requiring board approval are urgent and time-sensitive due to their charitable nature such as emergency relief for major disasters, the Chairman may authorize the relevant procedures to be carried out. However, such actions must be subsequently ratified by the next board meeting.

Article 7 Political donations.

- I. The Company prohibits the facilitation or hindrance of political donations, whether direct (to potential candidates) or indirect (to political parties or organizations), by exploiting power, employment relationship, or interfere with personal livelihood in the course of duties.
- II. The Company's political donations must not involve solicitation or agreements for improper benefits.
- III. Political donations as mentioned above must comply with the "Political Donations Act" ,and the details of the donations shall be disclosed publicly on the Company's website or in the Sustainability report.

Article 8 Information Disclosure

When the recipient of a donation is a stakeholder, a public interest organization, or similar entities, the Company must comply with relevant laws and regulations such as the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities" and the "Corporate Governance Best Practices Guidelines of Shin Kong Financial Holding Co., Ltd." The details of the donation should be disclosed.

Article 9 Applicable Laws

For any matters not covered in these guidelines, they shall be handled in accordance with relevant laws and regulations, such as the Financial Holding Company Act and the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 10 Implementation

These guidelines shall come into effect upon approval by the Board of Directors and any amendments shall follow the same procedure.