

Chang Hwa Commercial Bank, Ltd., Rules Governing the Scope of Duties of Independent Directors

Enacted on 20 March 2009

Amended on 29 October 2010

Amended on 20 October 2020

Amended on 14 May 2026

Amended by Authorization on 27 March 2026

Article 1

To ensure good corporate governance and establish a sound independent director system and to stipulate the scope of duties of the independent directors and empower them exercise their power, these Rules are adopted pursuant to Article 33 of the Corporate Governance Best-Practice Principles for banking industry.

Article 2

Except as otherwise provided by law and regulation or by the articles of incorporation, matters concerning the duties of independent directors of the Bank shall be as set out in these Rules.

Article 3

The following matters shall be submitted to the board of directors for approval by resolution unless approval has been obtained from the Competent Authority:

1. The Bank's business plan.
2. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
3. Adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption of or amendments to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act.
5. Matters in which a director is an interested party.
6. Asset transactions or derivatives trading of a material nature.
7. Loans of funds, endorsements, or provision of guarantees of a material nature.
8. The offering, issuance, or private placement of equity-type securities.
9. The hiring or dismissal of a CPA and the compensation.
10. The appointment or discharge of a financial, accounting, risk management, Chief Corporate Governance Officer, EVP & Chief Compliance Officer, and internal audit officer.

11. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation for imperative disaster relief relating to a major natural disaster may be submitted to the following board meeting for retroactive recognition.
12. Other matters required by law, regulation, or the articles of incorporation to be approved by resolution at a shareholders meeting or a board meeting, or any matters of a material nature as prescribed by the Competent Authority.

At least one independent director shall attend board meeting in person; the matters under the preceding paragraph shall be submitted to the board of directors for approval by resolution and all of the independent directors shall attend such board meeting; if an independent director is unable to attend in person, the independent director shall appoint another independent director as proxy to attend the meeting. When an independent director objects to or expresses reservations about any of the matters, it shall be recorded in the board meeting minutes. If an independent director intends to express objections or reservations but unable to attend the board meeting in person, unless there is a legitimate reason to do otherwise, the independent director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

The definitions of the terms "related party" and "major donation to a non-related party" in subparagraph 11 of the preceding paragraph shall be as set out in the Bank's Donation Rules.

Article 4

The bank shall obtain liability insurance for all independent directors with respect to liabilities resulting from exercising their duties during their terms of directorship.

The obtainment or renewal of the liability insurance for independent directors and its insured amount, coverage, premium rate, and other important contents shall be submitted to the board of directors for approval by resolution.

Article 5

The establishment of remuneration of the independent directors shall be in accordance with Articles of Incorporation and Remuneration Committee Charter of the Bank and the Bank may consider providing a reasonable remuneration different from that of ordinary directors.

Article 6

All independent directors of the Bank shall pursue continuing education, including attending the relevant training courses as required.

Article 7

Neither the Bank nor other board members may obstruct, refuse, or evade the actions of independent directors in the performance of their duties. As they deem necessary for the performance of their duties, independent directors may request the board to appoint relevant personnel or may at their own discretion hire professionals for assistance. The related expenses with necessity will be borne by the Bank.

The Bank's independent directors shall cooperate in handling matters requiring assistance or investigation in accordance with the relevant provisions of the "Procedures for the Financial Supervisory Commission to Request Assistance or Investigation from Independent Directors (Supervisors) of Financial Holding Companies and Banks."

Article 8

These Rules, and any amendments hereto, shall be implemented after adoption by the board of directors.