

# **Mega Financial Holding Company**

## **Rules of Procedures of Shareholders' Meetings**

Established on June 12, 2002

Amended on November 11, 2002

Amended on June 11, 2004

Amended on June 21, 2013

Amended on June 19, 2020

### **Article 1**

To establish a strong governance system and sound supervisory functions for this Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted.

### **Article 2**

The rules of procedures for this Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

### **Article 3**

The venue for a shareholders' meeting shall be the premises of this Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting shall not start earlier than 9 a.m. or later than 3 p.m.

### **Article 4**

When attending shareholders' meetings, shareholders or their proxies shall exchange a sign-in card for attendance cards in lieu of signing.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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 5**

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

If a shareholders' meeting is convened by any person, other than the board of directors, entitled to convene the meeting, such person or the person elected from among the convening persons shall chair the meeting.

It is advisable that this Company's shareholders' meetings convened by the board of directors will be attended by a majority of the directors in person. The attendance shall be recorded in the meeting minutes.

This 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 6**

Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated based on the shares indicated by the sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronic transmission.

The chair shall call the meeting to order at the appointed meeting time. 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 no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the attending shareholders do not constitute a majority of all issued shares after two postponements, 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.

If the attending shareholders have constituted a majority of all issued shares by the end of the meeting, the chair may resubmit the tentative resolution for approval pursuant to Article 174 of the Company Act.

#### **Article 7**

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may 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, other than the board of directors, entitled to convene such meeting.

Unless otherwise resolved by the meeting, the chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions).

After adjournment of the meeting, shareholders may not elect a new chair and then resume the meeting at the same venue or another place.

#### **Article 8**

Before speaking at the shareholders' meeting, an attending shareholder must specify on a speaker's slip the summary of the speech, his/her shareholder account number (or attendance card number), and account name. The sequence of shareholders' speech will be determined by the chair.

If any attending shareholder submits a speaker's slip but does not actually speak, no speech shall be deemed to have been made by the shareholder. In case the content of the speech

does not correspond to the contents given on the speaker's slip, the contents of actual speech shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the above rules or exceeds the scope of the agenda item, the chair may stop the speech of the shareholder.

The provisions of the preceding paragraph apply mutatis mutandis to the time and times of an attending shareholder's speech on non-proposal at the proceeding of extraordinary motions.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless otherwise permitted by chair and the speaking shareholder; otherwise, the chair shall stop such interruption.

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 the speech of an attending shareholder, the chair may respond in person or designate relevant personnel to respond.

#### **Article 9**

When the chair is of the opinion that a proposal has been sufficiently discussed to put it to a vote, the chair may announce the discussion closed and call for a vote.

#### **Article 10**

Except as otherwise provided by laws and regulations, a resolution of a shareholders' meeting shall be adopted by the majority vote represented at the meeting. 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 entered into the MOPS.

If the same agenda has an amended or substitute agenda, the chair shall decide the sequence of voting for such agenda; provided that if any one of them has been approved, the others shall be deemed vetoed and no further voting will be required.

#### **Article 11**

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.

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 paragraph 2 of Article 179 of the Company Act. Except for trust enterprises or a shareholder services agent approved by the competent securities authority, the proxy right of a person who acts as the proxy for two or more shareholders shall not exceed 3 percent of the total issued voting shares of this Company. If that percentage is exceeded, the excess portion of voting rights shall not be counted.

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 this Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder, unless otherwise provided by laws or regulations.

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

#### **Article 12**

The voting right at a shareholders' meeting shall be exercised by electronic transmission or correspondence. A shareholder exercising voting rights by correspondence or electronic transmission will be deemed to have attended the meeting in person, but shall be deemed to have waived his/her voting rights with respect to the extraordinary motions and amendments to the original proposals of that meeting.

In case a shareholder has exercised his/her/its voting right by way of electronic transmission or correspondence, and has also authorized a proxy to attend the shareholders' meeting in his/her/its behalf, then the voting right exercised by the authorized proxy for the said shareholder shall prevail.

#### **Article 13**

Vote monitoring and counting personnel for the voting on proposals or elections shall be appointed by the chair, provided, however, that all monitoring personnel shall be shareholders of this Company. Vote counting shall be conducted in public at the meeting venue. 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-site at the meeting, and a record made of the vote.

#### **Article 14**

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 will be resumed.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

**Article 15**

This Company, beginning from the time it accepts shareholder attendance registrations, shall make an audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures. The recorded materials shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

**Article 16**

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm badges.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or arm badges bearing the word "Proctor."

If the meeting place is equipped with loudspeaker equipment, the chair may stop any shareholders using equipment not installed by the Company from speaking.

When a shareholder violates these Rules and defies the chair's correction, obstructs the proceedings of the meeting and fails to desist, the chair may direct the proctors or security personnel to escort the shareholder to leave the meeting place.

**Article 17**

Any matters not otherwise provided in these Rules shall be governed by the Company Act, other applicable regulations and the Articles of Incorporation.

**Article 18**

These Rules shall enter into force after adoption by shareholders' meetings. The same shall apply in case of amendment or revocation.