

Mega Financial Holding Company Ltd., Measures for the Administration of External Donation and Sponsorship

Approved by the 31st meeting of the 5th Board of Directors on
October 28, 2014 Amended by the 42nd meeting of the 6th Board of Directors on

March 27, 2018

Article 1 (Purpose)

In order to strengthen the management of donation and sponsorship, these measures are formulated in accordance with the company's Corporate Governance Best Practice Principles.

Article 2 (Principle of donation and sponsorship)

The company's external donation and sponsorship shall be within the financial capacity of the company, shall comply with laws and regulations, and shall not violate social morality and good customs.

Article 3 (Donation and sponsorship recipient)

The company is not allowed to provide political contributions according to law, and external donations are limited to the following subjects:

- I. Government agencies: It refers to the central and local governments at all levels and public schools at all levels established according to law.
- II. Public welfare organizations registered or established with the competent authority according to law: It refers to the organization for the purpose of promoting education, culture, academic, medical, health, charity, sports, social service or other public welfare, whose organization is in accordance with the general provisions of the civil law, or is registered with the competent authority or filed for establishment in accordance with other relevant laws and regulations.

The company's external sponsorship shall be limited to activities that can enhance the company's brand and corporate image.

Article 4 (Donation and sponsorship authority)

The approval levels of donation cases and sponsorship cases shall be processed in accordance with the following provisions:

- I. Donations or sponsorships to related parties shall be submitted to the Board of

Directors for deliberation. The term “related party” refers to the related party regulated by the financial reporting standards for securities issuers.

- II. If a single donation or sponsorship to a non-related person or the total annual donation or sponsorship amount to the same subject is less than NT \$3 million, it shall be approved by the President. If the amount is more than NT \$3 million, but less than NT \$5 million, it shall be approved by the Chairman of the Board. If the amount is more than NT \$5 million, it shall be approved by the Board of Directors.
- III. When the total amount of donation or sponsorship exceeds the annual budget, each subsequent donation or sponsorship shall be submitted to the Board of Directors for deliberation. However, donations of a public nature for emergency relief due to major natural disasters may be approved by the Chairman of the Board of Directors first, and then submitted to the Board of Directors for approval.

Article 5 (Audit supervision)

The review of the company’s donation and sponsorship cases shall include the cause, subject, method, amount and property transfer method.

The company shall regularly summarize the donation and sponsorship and submit a report to the Board of Directors.

Article 6 (Information disclosure)

If the Board of Directors of the company makes a donation to a related person or a major donation to a non-related person, it shall issue a major information notice before the trading hours of the next business day. Donations to related parties and public welfare organizations shall be disclosed in the annual report or in other ways. The term “major donation to a non-related person” as mentioned in the preceding paragraph refers to the amount of each donation or the accumulated donation to the same subject within one year reaching NT \$100 million or more, or reaching 1% of the net worth or 5% or more of the paid in capital in the latest financial statements certified by an accountant.

The term “within one year” referred to in the preceding paragraph is based on the date of the meeting of the Board of Directors and is calculated by tracing one year ahead.

Article 7 (Donation and sponsorship purposes)

The company has the right to require the recipient of donation or sponsorship to use it for the purpose of such money or property, and may not use it for other purposes.

Article 8 (Others)

Matters not covered in these measures shall be processed in accordance with relevant laws and regulations of the company.

Article 9 (Implementation and Amendment)

This policy shall enter into effect upon approval by the Board of Directors; the same is true for amendments and the repeal thereof.