

# **Mega Financial Holding Co., Ltd. Guidelines for the Management of External Donations and Sponsorships**

## **Article 1 (Purpose)**

In order to strengthen the management of donations and sponsorships, these Guidelines are hereby formulated in accordance with the provisions of the Company's *Corporate Governance Best Practice Principles*.

## **Article 2 (Responsible unit)**

The Public Relations Department shall be responsible for the Guidelines.

## **Article 3 (Donation and sponsorship principles)**

External donations and sponsorships shall be within the Company's financial means, comply with laws and regulations, and not be contrary to social morals and good customs.

## **Article 4 (Donation and sponsorship recipients)**

The Company is prohibited by law from making political donations and limits external donations to the following recipients:

- I. Government agencies: Central and local governments and public schools at all levels established in accordance with the law.
- II. Social welfare groups registered or established with the competent authorities in accordance with the law: Groups that promote education, culture, academic endeavors, medical care, health, charity, sports, social services, or other areas of social welfare and that are organized in accordance with the general provisions of the *Civil Code* governing charitable corporations and foundations or that have been registered or filed for incorporation with the competent authorities in accordance with other relevant laws and regulations.

External sponsorship shall be limited to activities that enhance the Company's brand and corporate image.

**Article 5 (Donation and sponsorship authority)**

The levels on the basis of which donations and sponsorships are approved shall be as follows:

- I. Donations to or sponsorship of related parties shall be reviewed by the Board of Directors. The term "related party" refers to a related party as defined in the *Regulations Governing the Preparation of Financial Reports by Securities Issuers*.
- II. Lump-sum donations to or sponsorship of non-related parties or donations to or sponsorship of the same party whose cumulative amount within one year does not reach NT\$3 million shall be approved by the President. Amounts of NT\$3 million or more, but less than NT\$5 million, shall be approved by the Chairman of the Board of Directors. Amounts of NT\$5 million or more shall be approved by the Board of Directors.
- III. If the cumulative amount of donations or sponsorship exceeds the annual budget, any additional external donation or sponsorship shall be reviewed by the Board of Directors. However, donations of a social welfare nature for emergency relief in the event of major natural disasters may first be approved by the Chairman of the Board of Directors and then submitted to the Board of Directors for *ex post facto* approval.

**Article 6 (Auditing and supervision)**

The Company's review of external donations and sponsorships shall include the purpose, recipient, method, amount, and means of property transfer.

The Company shall regularly summarize donations and sponsorships and submit reports to the Board of Directors.

**Article 7 (Information disclosure)**

If the Company's Board of Directors approves a donation to a related party or a major donation to a non-related party, it shall disclose this fact as material information before the start of trading hours on the

next business day. Donations to related parties and social welfare groups shall be publicly disclosed in the annual reports or by other means.

The term "major donation to a non-related party" referred to in the preceding paragraph is defined as the amount of each individual lump-sum donation or the cumulative amount of donations to the same party within one year reaching NT\$100 million or more, or 1% or more of net operating income or 5% or more of paid-in capital according to the latest financial statement audited by a certified public accountant.

The term "within one year" referred to in the preceding paragraph is defined as the year preceding the date of the meeting of the Board of Directors.

#### **Article 8 (Donation and sponsorship purpose)**

The Company has the right to require the recipients of donations or sponsorship to fulfill the purpose for which the funds or property were intended and not to use them for other purposes.

#### **Article 9 (Other matters)**

Matters not specified in these Guidelines shall be governed by applicable laws and regulations and the Company's regulations.

#### **Article 10 (Implementation and amendments)**

These Guidelines shall take effect after being approved by the Board of Directors. The same applies when these Guidelines are revised or revoked.

#### **Article 11 (Review history)**

These Guidelines were established on October 28, 2014. First amendment was made on March 27, 2018.

Second amendment was made on May 28, 2024.