

Fubon Financial Holding Co., Ltd.

Corporate Governance and Sustainability Committee Charter

Adopted by the Board of Directors on August 14, 2002
1st amendment by the Board of Directors on October 28, 2002
2nd amendment by the Board of Directors on February 17, 2003
3rd amendment by the Board of Directors on April 19, 2004
4th amendment by the Board of Directors on April 25, 2007
5th amendment by the Board of Directors on December 7, 2007
6th amendment by the Board of Directors on June 13, 2008
7th amendment by the Board of Directors on February 5, 2010
8th amendment by the Board of Directors on August 19, 2011
9th amendment by the Board of Directors on October 26, 2012
10th amendment by the Board of Directors on November 24, 2015
11th amendment by the Board of Directors on January 28, 2016

Article 1 (Basis for the Establishment of the Charter)

To establish a good functional committee governance system, strengthen management functions and commit to corporate social responsibility and implement sustainable development for this Company, in accordance with requirements under Article 25(3) of this Company's Articles of Incorporation, the Corporate Governance and Sustainability Committee Charter are hereby established to be followed.

Article 2 (The Scope of Application of the Charter)

Unless otherwise specified in laws or articles of incorporation, matters concerning the number, term of office, powers, rules of procedure for meetings and other relevant matters of the Committee, shall follow the Charter.

Article 3 (Purpose)

The Committee shall assist the Board of Directors in the confirmation, recruiting and nomination of candidates for directors and other operations, and develop and make recommendations on the Board of Director's organizational operations and management matters, in order to strengthen the functions of the Board of Directors. The Committee is committed to the implementation of corporate social responsibility and sustainable operation, such that the Board of Directors may fulfill its responsibilities in protecting the Company, its employees, shareholders and the interests of shareholders.

Article 4 (Composition of the Committee)

This Committee shall be composed of at least three directors, which shall include at least one independent director, and an independent director elected among the members shall serve as the convener and the chairman of the meeting.

At least one of the independent directors mentioned above shall have the legal or management background.

Unless otherwise specified in laws and regulations or the Company's Articles of Incorporation, or the Rules, the tenure of office for director shall commence on the date of the Board resolution and expires on the term of office of the director or supervisor, on the date of resignation of director or supervisor from this Committee or its position, or on the date of replacing the original director as the Committee member by the Board resolution.

The terms of the members of the Committee shall be consistent with the terms of the directors and supervisors, and the independent director may continue its service as member of this Committee after being reelected.

Article 5 (Scope of Authority)

To achieve the purposes as prescribed in Article 3, the duties of the Committee shall include:

1. Evaluate experience, professional skills and independent characteristics of the candidates; enact election criteria for independent directors, and propose to the Board of Directors for resolutions.
2. Nominate to the Board of Directors the candidates for Company's Chairman and the subsidiaries' independent directors.
3. Supervise the implementation of the social corporate responsibility and sustainability matters, and make assessments of the implementation.
4. Review the Company's Articles of Incorporation and Regulations Governing Procedure for Board of Directors' Meetings, and other important rules and regulations and their enactment and amendment, and propose to the Board of Directors for resolutions.
5. Discuss the enactment and modification of the charter of Functional Committees, and proposed to the Board of Directors for resolutions.
6. Recommend to the Board of Directors, the committee member candidates for the functional committees (other than this Committee) under the Board of Directors. The composition of the Audit Committee shall comply with the applicable laws and regulations. The term of the members of each committee shall in principle, match the terms of the directors and supervisors, and members may serve consecutive terms if re-elected.
7. Discuss the plan for next year and evaluate the execution of the annual plan, and respectively proposed to the Board of Directors for resolution and reports.
8. Evaluate information collection channel of the Board of Directors, as well as quality and timeliness of the information.
8. Review corporate governance relationship among this Company, its subsidiaries and affiliates.
9. Any other matters to be conducted by this Committee pursuant to a Board resolution.

Article 5-1 (ESG Task Force)

An " ESG Task Force "is established under this Committee which will be responsible for the implementation of matters related to corporate sustainability, and will set up six task force

units: corporate governance, employee care, responsible finance, customer engagement, social commitment and environmental sustainability. One or two independent directors will be assigned by this Committee to supervise the operation of the task force units. The leader of the ESG Task Force is the Company's President. A task force units meeting is held every season to discuss the implementation status of each task force units and the latest issues related to corporate sustainability operation. Each task force units will submit annual execution plan and implementation results to the "Corporate Governance and Sustainability Committee" for discussion, and thereafter, to the Board of Directors.

Article 6 (Procedures of the Meeting)

The meetings for the Committee shall be held at least twice every year, and may be called at any time according to its needs.

In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each member of the Committee at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.

When the convener of the This Committee goes on leave or otherwise for any reason whatsoever is unable to convene a meeting, the meeting shall be convened by another member of the committee designated by the convener; if the convener does not designate a deputy, members of the Committee may elect the deputy among themselves.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of this Corporation to attend the meeting as non-voting participants and provide pertinent and necessary information.

Article 7 (Meeting Agenda)

The agenda of the Committee shall be decided by the convener; however, other members may also submit proposals to the Committee for discussion.

Article 8 (Attendance and Resolution)

When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the members in attendance, and thereafter made available for reference.

The members of the Committee shall attend meetings of the Committee in person; if a member is unable to attend in person, the member may appoint another member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.

A member of the Committee that appoints another member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved.

The proxy under paragraph 3 may accept a proxy from one person only.

Article 9 (Meeting Minutes)

Minutes shall be made to record the discussions at the Committee, and the matters listed below shall be recorded in the minutes in detail and accurate manner:

1. Session, time, and place of the meeting.
2. Name of the chairman of the meeting.
3. Member attendance, specifying the names and number of members in attendance, excused, and absent.
4. Names and titles of those present at the meeting.
5. Name of minutes taker.
6. Matters reported on.
7. Agenda items: the resolution method and outcome of each motion, and any objections or reservations expressed by any committee member.
8. Extraordinary motions: the name of the proposer, the resolution method and outcome of the motion, and summarize the comments made by, and any objections or reservations expressed by, any committee member, expert, or other person.
9. Other matters required to be recorded.

The attendance sheet of the Committee meetings is a part of the minutes, and shall be preserved permanently.

The meeting minutes shall be signed or sealed by the chairman of the meeting and minutes taker and shall be delivered to the Committee members in 20 days after the meeting. The minutes shall be kept in the important files of the Company and preserved permanently.

Preparation and delivery of the minutes as set forth in paragraph 1, may be made via electronic methods.

Article 10 (Review Recusal)

A director or supervisor who acts as the member of the Committee shall recuse himself where:

1. Conflict of interest exists between the issue and the director or legal entity represented by that director, and such conflict of interest has the potential to adversely affect company's interests.
2. Such director believes that he/she should not vote upon the issue.
3. Such director is resolved by the Board of Directors or the Committee not to vote upon the issue.

In the event that the Committee is unable to pass a resolution due to the previous provision, the Committee shall report the same to the Board of Directors and the Board of Directors shall resolve on the issue.

Article 11 (Appointment of Experts)

The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice with respect to matters in connection with Articles 3 and 5. The costs of their services shall be borne by the Company.

Article 12 (Duties of the Committee Members)

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed under these Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board of Directors.

Article 13 (Reporting Obligation of the Management Level to the New Committee Members)

Management level shall provide detailed presentation and written information about the duties carried out by the Committee to the new Committee members, involving organization, personnel, rules for business process, management condition and its disclosure of information.

Article 14 (Regular Review)

This Committee shall review the Charter every year and shall provide necessary amendment to the Board of Directors.

Article 15 (Authorization of the Committee)

Matters resolved by the Committee may be delegated to the convener or other members of the Committee for further implementation. The implementation shall be reported to the Committee either in writing or verbally in the process, and if it is necessary such matters shall be reported to the Committee at the next meeting for ratification.

Article 16 (Enforcement)

This Charter become enforceable after the Board of Directors' resolutions; the same procedures shall apply to the amendments.