



2.3.10 The pursuit of ethical corporate management and the difference between ethical corporate management Best Practice Principles for TWSE-listed and TPEX-listed Companies, and the reasons for the difference

Items	Operation			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies" and reasons
	Yes	No	Summary Description	
A. Codifying ethical corporate management best practice principles and plans.				
1. Has the Bank instituted the Ethical Corporate Management Policy passed by the Board, and specified in its internal rules and regulations and external documents of the policies and practices of ethical corporate management, and the commitment of the Board and the senior management in the proper pursuit of ethical corporate management policy?	✓		<p>1. The bank has established a "Code of Conduct for Integrity Management" (hereinafter referred to as the Code) and an "Integrity Management Policy" approved by the board of directors as the guideline for implementing the bank's integrity management policy. It clearly stipulates that directors, managers, employees, and appointees must not engage in dishonest practices in the course of business activities. In accordance with regulations, all directors and management at or above the level of Vice President, including one independent director re-elected at this year's (113th) annual shareholders' meeting, totaling 18 people, are required to sign the "Declaration of Compliance with Integrity Management Policy and Commitment to Implementation." This ensures that all the bank's business decisions and operations are based on "integrity."</p> <p>2. In order to shape the Bank's corporate culture of honesty and integrity and to implement the requirement of honesty and integrity for senior management, the Bank has formulated the "Guidelines for the Implementation of the Responsibility Mapping System" approved by the Board of Directors, which stipulates the accountability system and procedures for senior management above the level of Chairperson of the Board of Directors and branch managers, and designates the Board of Directors' Audit Committee as the Accountability Function Committee, so that the Board of Directors is the checking level of the Board of Directors to determine the level of accountability of the dishonest behaviors of senior management in order to strengthen the effective implementation of the commitments. The Board of Directors will be the approving level for dishonest behavior of senior management in order to strengthen the effective implementation of the commitments.</p>	No Deviation
2. Has the Bank established the mechanisms for the evaluation of the risk of unethical practices with routine analysis and evaluation of business activities exposing the high risk of unethical practices based on which the Bank mapped out the policy for the prevention of unethical practices covering at least Paragraph 2 in Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE-listed and TPEX-listed Companies."	✓		<p>In accordance with Article 2 of this code, the industry requires each unit to self-assess the frequency and impact of dishonest behavior incidents within their respective areas. For any business items assessed as having a higher risk of dishonest behavior (i.e., medium-high risk or above), the responsible management unit will be required to develop corresponding preventive measures and plans in addition to existing operational guidelines to strengthen the prevention of dishonest behavior. In this year's risk matrix assessment analysis conducted by each unit, the risk values of all business activities did not reach medium-high risk or above. However, there were occasional individual assessment items with relatively high self-assessed risk values, and on June 24th of this year, the management units overseeing these activities were notified to continue being vigilant, aiming to prevent issues before they occur.</p>	No Deviation

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	Yes	No	Summary Description	
3. Has the Bank explicitly stated the operation procedure, code of conduct, penalty on violation, and the system of complaint in the policies for the prevention of unethical practices with proper pursuit of the policies, and conducted routine review with amendment to the policies?	✓		<p>1. This code of conduct is established with reference to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the "Procedures for Ethical Management and Guidelines for Conduct" issued by the Taiwan Stock Exchange. It is further supplemented by internal operational regulations and business manuals, such as the "Code of Ethical Conduct," serving as a standard for various units to follow when carrying out business operations, in order to effectively prevent dishonest behaviors such as corruption and bribery.</p> <p>2. BOK has established the its reporting and complaint system, and has organized training for education regarding integrity and crime prevention. BOK also instituted the "Regulations Governing the Reward and Punishment of Employees". Those who are engaged in unethical practices will be subject to punishment depending on the severity of the offense.</p> <p>3. The policies and measures for the prevention of unethical practices as mentioned in the preceding paragraph will be subject to amendment on the basis of the annual assessment results for assuring effectiveness.</p>	No Deviation
B. Implementing ethical operations				
1. Does the bank evaluation the record of ethics of its transaction counterparties and expressly provide ethical conduct clauses in contracts signed with its transaction counterparties?	✓		<p>These guidelines stipulate that before engaging in business transactions, the Bank shall assess the legitimacy of the counterparty and whether they have been involved in dishonest conduct, avoiding transactions with those who have engaged in such behavior. For example, in procurement, contracts between the Bank and business partners (such as the Supplier Corporate Social Responsibility Management Policy) include clauses requiring compliance with ethical business practices. They also allow the Bank to terminate or cancel the contract if the counterparty is found to have engaged in dishonest conduct. In lending, before establishing a credit relationship, the Bank conducts due diligence, including eligibility checks and related-party screenings. Loan agreements specify a reasonable review period, disclose applicable interest rates and fees, and clearly define both parties' rights and obligations. They also outline required documentation. If any false or misleading information is discovered, the Bank may declare the loan due immediately and demand full repayment. In investments, the Bank avoids transactions with entities that have a history of dishonest conduct. It screens counterparties against sanction lists for anti-money laundering and counter-terrorism financing. If a counterparty is confirmed to be on a restricted list, the Bank will refuse to establish a business relationship.</p>	No Deviation
2. Has the Bank established a designated a body for the advocacy of ethical corporate management under the direct supervision of the Board, with a report to the Board at regular intervals (at least once a year) on the policy of ethical corporate management and the plans for the prevention of unethical practices, and the supervision of the pursuit of the policy?	✓		<p>The Secretariat of the Board is the designated body for the performing the duties pertinent to the pursuit of ethical corporate management. It is charged with the duties of studying, amending and establishing this principle and the "Ethical Corporate Management Policy" and put together the results of respective functional units in the pursuit of ethical corporate governance and the measures taken for reporting to the Board.</p>	No Deviation



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	Yes	No	Summary Description	
3. Has the bank drafted policies that prevent conflict of interest, provide proper channels of complaints, and implement them?	✓		<p>1. To mitigate the risk of unethical conduct arising from conflicts of interest, the Bank has established clear requirements in Article 19 of these guidelines, Article 47 of the "Corporate Governance Best Practice Principles," Article 17 of the "Rules of Procedure for Board Meetings," Article 11 of the "Audit Committee Charter," and Article 10-1 of the "Remuneration Committee Charter." These provisions require that when a board agenda item involves a conflict of interest for a Director or Independent Director, they must disclose key details of the matter. They are required to recuse themselves from discussions and voting and may not act as proxies for other Directors. Additionally, individuals or entities with a defined relationship to a Director or Independent Director that have a conflict of interest regarding the agenda item will be treated as if the Director or Independent Director themselves have a conflict and must also comply with recusal requirements. To further reinforce the obligation to recuse from proposal involving conflicts of interest, the Board of Directors approved amendments to the "Audit Committee Charter" and the "Rules of Procedure for Board Meetings" at the 7th meeting of the 15th Board on February 23 this year. Under the revised rules, directors with a personal conflict of interest in a motion are prohibited from participating in discussions and voting, regardless of whether the proposal poses any risk to the company's interests.</p> <p>2. The Bank has established internal regulations, including the "Standard Operating Procedures for Transactions with Related Parties," "Credit Policy and Credit Standards," "Guidelines for Layered Responsibility and Authorization in Credit Case Review," "Regulations for Preventing Insider Trading and Conflict of Interest in Wealth Management," "Self-Disciplinary Rules for Wealth Management Personnel on Measures to Prevent Conflicts of Interest," and "Policies and Procedures for Preventing Conflicts of Interest in Trust Business Transactions," to regulate its business operations and prevent various forms of conflict of interest.</p>	No Deviation
4. Has the Bank established an effective accounting system and internal control system for the proper pursuit of ethical corporate management, and has the internal audit function mapped out related audit plans with reference to the result of risk assessment on unethical practices for assurance of compliance with related plans for the prevention of unethical practices, or retained certified public accountants to conduct the audit?	✓		<p>1. For the proper pursuit of ethical corporate management, BOK has established a viable accounting system in conformity to the IFRSs recognized by Financial Supervisory Commission, the sample version of accounting system established by the Bankers Association. BOK also established the self-audit system, compliance and law system, risk management mechanism and internal audit system as 3 lines of defense. The well-defined management regulations and business code help to ensure compliance in operations and the effective functioning of the internal control system.</p> <p>2. BOK commissions CPAs to conduct financial audit each year and also to examine the accuracy of the information contained in the statements for declaring with the competent authority, internal control system, the pursuit of compliance and law and the policy of provision for doubtful accounts for assurance of appropriateness under the agreed procedure in accordance with the "Regulations Governing the Implementation of Internal Control and Audit Systems by Financial Holding Companies and Banking Industry." The CPAs will issued a report on the agreed procedure and present to the Auditing Committee and the Board.</p> <p>3. BOK also conducts internal audit in accordance with the "Regulations Governing the Implementation of Internal Control and Audit Systems by Financial Holding Companies and Banking Industry," the requirement of the competent authority, and the assessment of the risk of internal control to examine the control and internal</p>	No Deviation

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			management of business activities. The audit covers the state of compliance with applicable rules and regulations for prevention of unethical practices such as related-party transactions, price negotiation in purchase, and the control of donation. BOK will also map out related audit plan on the basis of the findings from the assessment of the risk of unethical practices. This plan will be used in audit for the realization of ethical corporate management at BOK.	
5. Does the bank provide internal and external training courses regarding ethical business practices on a regular basis?	✓		<ol style="list-style-type: none"> 1. BOK provides the following education and training for personnel at all levels on ethical corporate management: Included in the compliance and law annual action plan to educate all personnel on "Ethic Code of Conduct," "Banking Staff Service Guide," and case study on related crimes for at least 3 hours for each person. 2. In addition, in order to implement the corporate governance system and improve the professional knowledge and skills of directors and supervisors, the Company has arranged for directors to participate in corporate governance or finance courses. In 2024, 12 directors, including Chairperson Meei-Ling Jeng, were sent to participate in corporate governance or finance professional courses, for a total of 79 times. 	No Deviation
C. The operation of the reporting regulations of the bank.				
1. Has the bank created substantive reporting and reward regulations, established useful channels of reporting, and appointed exclusive personnel to deal with reported individuals?	✓		<ol style="list-style-type: none"> 1. To establish a culture of integrity and transparency and promote sound business practices, the Bank's 13th Board of Directors passed the "Regulations for Handling Whistleblower Cases" (hereinafter referred to as the "Whistleblower Regulations") at its 12th meeting on August 16, 2018. The regulations have been amended twice and include the establishment of an independent whistleblower mailbox (whistleblower@mail.bok.com.tw) and a dedicated whistleblower hotline (07-5571885) for both internal and external use. Relevant information regarding the whistleblower system is also disclosed on the Bank's official website and intranet to ensure the accessibility and smooth operation of the reporting channels. 2. The Bank's Legal and Compliance Department is responsible for accepting and investigating whistleblower cases. The department designates a dedicated staff member to handle whistleblower matters and, if necessary, may request assistance from the Audit Department of the Board of Directors for further investigation. The aforementioned "Whistleblower Regulations" provide comprehensive guidelines for the acceptance and operational procedures of whistleblowing. 3. If a whistleblower case is verified as valid and results in a tangible contribution to the Bank, the Bank's "Whistleblower Regulations" specify that the whistleblower may be granted a reward at the Bank's discretion. 	No Deviation
2. Has the Bank instituted the standard operation procedure for the investigation of complaints, and any follow-up action after the completion of investigation, and related confidentiality mechanism?	✓		<ol style="list-style-type: none"> 1. The Bank's "Whistleblower Regulations" clearly define the standard operating procedures for investigating reported matters and ensuring confidentiality. The receiving unit must first assess whether the whistleblower case meets the acceptance criteria and then report each case to the President or Independent Directors for approval. For cases that meet the criteria, the investigation will proceed following approval from the President or Independent Directors, and the investigation results will be submitted to the investigation unit for further review. The findings will then be reported to the President for forwarding to the Chairperson of the Board for final approval, or may be submitted to the 	No Deviation



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			<p>Audit Committee for further review. The receiving unit is also responsible for informing the whistleblower of the investigation results. If the investigation reveals a serious or illegal matter, the relevant authorities must be notified or reported as required by law. The Legal and Compliance Department may also, depending on the severity of the case, refer the involved personnel to the Human Resources Department for disciplinary action by the Bank's "Personnel Review Committee."</p> <p>2. Directors, management personnel at the rank equivalent to VP or higher shall recuse from a case as determined by the content of the complaint where these personnel should recuse from the acceptance, investigation, review, and second review of the complaints to avoid affecting the procedure and the result of investigation thereby obstructing the independence and confidentiality of the investigation.</p> <p>3. In accepting the complaints for investigation and in the course of investigation, the Bank shall keep the identity, the content of the complaint and related documents and files in strict confidence under the custody of designated personnel as confidential documents. There shall be no divulgence, disclosure, or going public such that the identity of the informant and the content of the complaint and any related information is accessible to any unrelated third party for the effective and appropriate protection of the informants.</p>	
3. Has the bank taken measures that protect the whistleblower from improper treatment?	✓		It is explicitly stated in the "Complaints Procedure" of the Bank that informants shall not be subject to unfavorable treatment due to the filing of the complaint. Likewise, information related to the complaint shall be kept in strict confidence for the protection of the informants from possible undue treatment.	No Deviation
D. Improving information disclosure				
Does the bank disclose the content of its ethical business practice and the result of its implementation information on its website or the Market Observation Post System?	✓		BOK has posted this principle and the "Ethical Corporate Management Policy" at the section of corporate governance of its official website, and also upload related content to MOPS in the section of "Corporate Governance - Rules and regulations for Corporate Governance" with update in line with any revision of the content of MOPS. BOK also discloses related information in the annual report on the pursuit of ethical corporate management and the measures taken.	No Deviation
E. A Bank that has set forth its own Ethical Corporate Management Best Practice Principles in accordance to "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies", please describe any difference between real execution and principles that have been set forth: No Deviation.				
F. Other material information helpful to the understanding of the bank's ethical corporate management best practice principles (for example, the revision of said principles codified by the bank.): None.				

2.3.11 Other material information useful to the understanding of corporate governance and its implementation: Please refer to page 40, 2.3.5 The Differences between the Corporate Governance Practice of the Bank and the Guidelines for Bank Corporate Governance, F. Did important Information of Corporate Governance Practice of the Bank.