(Translation)

ARTICLES OF INCORPORATION OF TAIWAN FUND FOR CHILDREN AND FAMILIES

(Seal of Ministry of Health and Welfare & TAIWAN FUND FOR CHILDREN AND FAMILIES)

Initially Registered on May 25, 1956
Amended Registration on July 21, 1995
Amended Registration on December 15, 1997
Amended Registration on February 5, 1999
Amended Registration on November 14, 2000
Amended Registration on November 22, 2001
Amended Registration on September 10, 2002
Amended Registration on May 9, 2005
Amended Registration on September 13, 2012
Amended Registration on June 3, 2016
Amended Registration on May 26, 2020
Approved by the Board Meeting (22-11) on December 30, 2020
Approved by the Board Meeting (22-12) on March 25, 2021

Article 1: The name of this organization is "Consortium of Juridical Person, Taiwan Fund for Children and Families, abbreviated as known as "TFCF" (Hereafter called as "TFCF").

TFCF was funded on August, 1950 through the donation of NT$369,800 made by the Christian Children's Fund, Inc. in Virginia, USA.

TFCF was approved by Taiwan Provincial Government on December 10, 1954 and completed the registration on May 25, 1956. Later, it was approved by the Ministry of the Interior on January 12, 1995 and changed to be the national Consortium of Juridical Person on July 21, 1995.

Article 2: TFCF is headquartered at Floor 4, No. 482, Sec. 5, Chung-Hsiao East Road, Hisn-Yi District, Taipei City. Branches offices and institutional placements in Taiwan or abroad may be established, upon approval by the authority concerned, as the needs of the case demand.

With the permission of the authority, TFCF has established domestic branch offices in Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Miaoli County, Taichung City, Changhua County, Nantou County, Yunlin County, Chiayi City, Tainan City, Kaohsiung City, Pingtung County, Yilan County, Hualien County, Taitung County, Penghu

County, Kinmen County and Lienchiang County, and established overseas branch offices in Mongolia, Kyrgyzstan, Eswatini, Vietnam, Cambodia, Jordan and the Philippines.

Article 3: To practice the spirit of humanity, TFCF provides services to vulnerable children, adolescents, families and the society, including:

1. Providing sponsorship programs and welfare services to vulnerable children, adolescents and their families;
2. Providing educational assistance, anti-poverty programs, and health maintenance for the rural communities and vulnerable families to make the households self-reliant;
3. Providing protection, placement and care services for children, adolescents and families with dependence, maltreatment, physical and mental disabilities;
4. Accepting the entrustment of the government to handle services for children, adolescents and family welfare;
5. Operating social enterprises and providing family welfare services;
6. Managing academic research, cultural and educational activities related to social welfare services and policies;
7. Conducting other public social welfare affairs that meet the purpose of TFCF establishment.

Article 4: TFCF was funded on August, 1950 by the Christian Children's Fund, Inc. in Virginia, USA.

Afterwards, TFCF may continue to accept donations from domestic and foreign natural persons, legal persons, institutions or groups.

Article 5: The Board of Directors shall consist of thirteen Directors. The initial term of the Board of Directors shall be appointed by the Initial Donors. In the subsequent appointments of directors, in addition to the current directors as ex-officio candidates, the current directors need to select and replace one-fifth of the number of board from candidates who are the public welfare enthusiasts, relevant scholars and experts and outstanding contributions to TFCF, and the ballot will be anonymous. TFCF shall have at least one-fifth of its directors with expertise or work experience relevant to the establishment purpose.

There shall be one chairman who is the chair of the board of directors internally, and represents the organization externally. Among them, five Standing Directors are elected by the directors, and the chairman shall be elected and appointed among the five Standing Directors by the Board of directors. When the chairman of the board asks for leave, or is unable to exercise his powers for any reason, a proxy shall be appointed by the chairman of the board of directors. Or, if the chairman of the board does not designate or cannot appoint a proxy, the directors shall select one person to represent him.

No more than one-third of directors shall be spouses or related by blood or marriage within the third degree of each other. And the number of foreigners serving as directors of TFCF shall not exceed one-third of the total board of directors.

The directors should have the expertise and work experience in serving vulnerable children, adolescents and families, or they are engaged in supporting and sponsoring children, adolescents and vulnerable families of TFCF.

TFCF may have three supervisors who shall select one among themselves to act as the managing supervisor. The supervisors are nominated by the chairman of the board and appointed after approval by the board of directors with the same term as the board of directors.

The supervisor shall not be the spouse or related by blood or marriage within the third degree of another supervisor or a director.

The succeed supervisor shall be nominated by the chairman of the board if the supervisor is unable to perform his duties before the expiration of his term, and shall be succeeded by the board of directors, and his term of office shall end until the expiration of the original term.

A vacancy created by the resigned director due to being no longer able to exercise duties for other causes prior to expiry of the director’s tenure may be filled by nomination of the chairman of the board and appointment after approval by the board of directors. The supervisor shall serve until the end of the resigned supervisor’s tenure.

Article 6: The Directors are non-paid positions and the tenure is 3 years, and they may be re-appointed; provided that the number of such re-appointed directors shall not exceed four-fifths of the total number of directors to be appointed at the same time. When the term of directors expires, more than half of the directors elect one person as the convener to hold a board meeting to re-elect the directors. A vacancy created by the removal of a director due to resignation, death or being no longer able to exercise duties for other causes prior to expiry of the director’s tenure may be filled by appointment of another director who shall serve until the end of the removed director’s tenure. The method of by-election is selected in accordance with the provisions of Article 5 of this Constitution.

The election and dismissal of the directors of TFCF shall be subject to ordinary resolutions.

Article 7: Unless the law provides otherwise, the Board shall have the following duties and powers:

(1) Fund raising and administration and management of property;
(2) Appointment and removal of directors and supervisors;
(3) Appointment and removal of the chairperson and standing directors of the Board;
(4) Establishment and administration of internal organization;
(5) Development and promotion of work plans;
(6) Review of annual budget and final accounts;
(7) Amendments to the Articles of Incorporation;
(8) Proposal of disposal of or creation of encumbrance on real property;
(9) Proposal of merger or consolidation; and
(10) Selection and dismissal of CEO;
(11) Other proposals or decisions to be made according to the charter of endowment.

Our supervisors shall have the following duties and powers:

(1) Oversee the operation and financial status;
(2) Audit financial statements, documents and property information; and
(3) Oversee the operation to be carried out in accordance with laws and the charter of endowment.

Article 8: The chairman shall convene a Board meeting at least every three months . Directors shall attend the Board meeting in person, and, if a director is unable to attend in person, such director may designate another director to attend as a proxy.

A director may accept the designation to act as the proxy under the preceding paragraph of one other director only, and the directors who act as the proxy shall not exceed one-third of the total number of directors.

The chairman of the board may convene an interim meeting if he considers it necessary or has the proposal of more than half of the directors. During the intersessional meeting of the board of directors, the standing directors regularly perform the functions and powers of the board of directors by way of meetings, and submit the results to the board meeting for resolution.

If a Board meeting is proceeded via video conferencing, the directors taking part in such video conference meeting shall be deemed to have attended the meeting in person.

The Board meeting shall be held within the R.O.C. territory.

If the chairperson does not duly convene the Board meeting, upon a written request setting forth the meeting purpose and convention reasons from one-third or more of the current directors to convene the Board meeting, the chairperson shall convene the Board meeting within 10 days after receiving such request. If the chairperson does not give notice to convene the Board meeting within the specified time period, the requesting directors may report to the competent authority and convene the meeting upon obtaining the approval.

Article 9: The types of the Board resolutions are as follows:

(1) Ordinary resolution: a resolution adopted by a majority of the attending directors at a Board meeting attended by a majority of all directors.

(2) Special resolution: a resolution adopted by a majority of the attending directors at a Board meeting attended by two-thirds of all directors.

The following essential matters shall be adopted by a special resolution of the Board and submitted to the competent authority for approval:

(1) Proposal of any amendment to the Articles of Incorporation;

(2) Use of the fund;

(3) Use of the fund to make up the deficit;

(4) Disposal of or creation of encumbrances on real properties;

(5) Other matters designated by the competent authority.

The essential matters set out in the preceding paragraph shall be notified to all directors and the competent authority at least 10 days before the Board meeting and shall not be proposed by an extempore motion.

If TFCF may not complete the appointment of directors upon expiry of the directors' tenure, the appointment may be done by an ordinary resolution adopted by the Board.

Article 10: No person with any of the following circumstances shall be appointed as the chairman, alternate chairman, a director, a supervisor or CEO, and, if appointed, the person shall be ipso facto removed from office by the competent authority with notice to the court for relevant registration:

(1) Having been rendered with a final judgment of guilty for committing an offence under the Statute for Prevention of Organizational Crimes, the sentence as result thereof is not yet served or fully served, or it is less than

2 years after the sentence is fully served or pardoned; provided that this shall not apply to a person who receives a sentence of probation;

(2) Having been rendered with a final judgement of guilty with sentence of an imprisonment term of 1 year or more for committing fraud, breach of trust, misappropriation or corruption, the sentence is not yet served or fully served, or it is less than 2 years after the sentence is fully served or pardoned; provided that this shall not apply to a person who receives a sentence of probation;

(3) Having been denied service by the bills clearing house and the denial status has not yet been removed;

(4) Having been adjudicated bankrupt or ordered to begin the liquidation procedure in accordance with the Consumer Debt Clearance Act, and rights and privileges have not been reinstated; or

(5) Having been placed under guardianship or assistance by the court, and the status has not yet been removed.

Article 11: There shall be one CEO and may be one to three Deputy CEOs in TFCF. They shall be responsible for performing the affairs in accordance with the Articles of Incorporation, organizational regulations and board resolutions. The CEO shall be nominated by the Chairman and appointed after approval of the Board of Directors. The CEO shall be designated for a three-year term and shall be eligible for re-election. The resolution shall be submitted to the authority in charge for approval. If deemed necessary, the officers may be appointed. The Deputy CEOs and Chief Officers of TFCF shall be selected and nominated by the CEO and appointed through approval by the Board of Directors. If deem necessary, Consultants to the Board may be nominated by Chairman, and appointed through approval by the Board of Directors.

Article 12: Board of Directors, supervisors, CEO and persons with similar position shall recuse themselves when conflict of interests occurs in the execution of their duties. The conflict of interests refers to the situation where Board of Directors, supervisors, CEO and the person with similar position gain interest either directly or indirectly through any act or omission in the execution of their duties.

Board of Directors, supervisors, CEO and persons with similar position shall not seek any interest for themselves or their related parties by abusing the power, opportunities or methods in execution of their duties. The interest refers here means, as a result of the Board of Director, supervisors, CEO and person with similar position’s execution of their duties, an improper increase of money, articles or other property value to such persons or their related parties.

The related parties referred to in the preceding paragraph means the spouse or relatives within the second degree.

Article 13: TFCF property shall be kept and used in the name of TFCF subject to supervision by the competent authority. A fund shall not deposit its fund with, or make loan to, any Board of Director, supervisor, CEO, other individual or non-financial institution.

Use of TFCF property are as follows:

(1) Deposit in financial institutions;

(2) Purchase of government bond, treasury bills, central bank savings notes, financial bond, negotiable certificate of deposit, bankers' acceptances, commercial papers backed by banks or bills finance companies;

(3) Purchase of moveable and real properties necessary for operation;

(4) Purchase of publicly issued secured corporate bonds, fixed income beneficiary certificates issued by domestic securities investment trust companies pursuant to the principle of security and reliability;

(5) Purchase of shares provided that the total purchase shall not exceed 5 percent of its total property value and the shareholding in a single company shall not exceed 5 percent of this company’s total capital; and

(6) Making other investment which may be helpful to increase its source of funds pursuant to the principle of security and reliability. The type and amount of investment shall be stipulated by the competent authority.

Unless the law provides otherwise, the endowment property shall be used in the following circumstances:

(1) Used in the circumstances set out in subparagraphs (2) to (6) of the preceding paragraph;

(2) Used in the fund’s operation for its establishment purpose.

Unless otherwise approved by the competent authority, the way to make use of property shall not be used to purchase the shares or corporate bonds issued by the endower or donor or their affiliates if their total endowment or donation reaches one half of the total fund of the foundation.

Article 14: TFCF shall not be a shareholder of unlimited liability in a company, a general partner of a limited partnership, a partner of a partnership enterprise, or a guarantor of any nature or legal person.

Article 15: The fiscal year of TFCF shall be the calendar year, which is from January 1 to December 31 every year.

The accrual principle shall be adopted as the accounting basis and TFCF practices the accrual basis in accounting for which the account books are required. The accounting system shall be formulated in accordance with the generally accepted accounting principle. TFCF shall make a true and accurate accounting on the financial transaction. The account of revenues and expenditures shall be presented with legal vouchers and receipts in order to be checked by the authority in charge. The aforementioned account books and vouchers on revenue & expenditure shall be audited and certified by an accredited and licensed accountant and stipulate a code of ethics in management according to the competent authority's guidance.

Article 16: TFCF shall not distribute any residual from its endowment property, interest derived thereof and other incomes.

TFCF may use the fund to make up its deficit only if it remains insufficient after the foundation shall have used its assets other than the fund to make up the deficit.

TFCF shall use the interest derived from the endowment property and other incomes received after establishment registration in its operation in conformity with the establishment purpose and charter of endowment.

Article 17: TFCF's work plan and budget for the current year shall be passed by the Board within 1 month after the beginning of the year and submitted to the competent authority for record. A risk assessment report shall be attached to the work plan and budget if they are related to the country or areas with high risk in money laundering or financing terrorism.

TFCF's work report and financial statements for the preceding year shall be submitted to all supervisors for conducting audit separately after they are passed by the Board, and submitted to the competent authority for record along with a supervisory report for the preceding year prepared by the supervisors.

Article 18: The residual assets of TFCF, upon its dissolution or establishment approval being revoked or rescinded by the competent authority and after paying all debts, shall be distributed to the residual assets to the municipality or county (city) where the headquarters or the branch office is domiciled.

Article 19: Issues that are not regulated in this Articles of Incorporation shall be in accordance with all prevailing and applicable laws and regulations.

The rules of TFCF are discussed by the Executive Management Meeting and implemented after being approved by the board of directors' meeting.

Article 20: The Articles of Association is approved by the resolution of the board of directors' meeting and reported to the authority in charge for implementation after review; the same applies to changes.

The above translation was completed to the best of my knowledge in languages and belief.

Translator：Mu Hsin Chang

Translated on October 19, 2021