

Audit Committees Operation Status

Composition	<p>The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.</p> <p>The term of serve shall be 3 years, and may be reelected to further terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the articles of incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of the occurrence to hold a by election to fill the vacancies.</p> <p>The members of the 4th Audit Committee:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Title</th><th>Name</th></tr> </thead> <tbody> <tr> <td>Managing Independent Director (Convener)</td><td>Wu, Yu-Hsueh</td></tr> <tr> <td>Independent Director</td><td>Lee, Shu-Hua</td></tr> <tr> <td>Independent Director</td><td>Huang, Chao-Kuei</td></tr> </tbody> </table>	Title	Name	Managing Independent Director (Convener)	Wu, Yu-Hsueh	Independent Director	Lee, Shu-Hua	Independent Director	Huang, Chao-Kuei
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Managing Independent Director (Convener)	Wu, Yu-Hsueh								
Independent Director	Lee, Shu-Hua								
Independent Director	Huang, Chao-Kuei								
Duties	<p>The main function of the Audit Committee is to supervise the following matters:</p> <ul style="list-style-type: none"> ➤ Fair presentation of the financial reports of the Bank. ➤ The hiring (and dismissal), independence, and performance of certificated public accountants of the Bank. ➤ The effective implementation of the internal control system of the Bank. ➤ Compliance with relevant laws and regulations by the Bank. ➤ Management of the existing or potential risks of the Bank. 								
Operation Method	<p>The Committee shall convene at least once quarterly, and may call a meeting at its discretion whenever necessary.</p> <p>In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each independent director member at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.</p>								

	<p>A member of the Committee shall be elected as the convener and meeting chair by and from the entire membership of the Committee. When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee as acting convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by and from the other independent director members of the Committee to serve as convener.</p> <p>The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of the Bank to attend the meeting as nonvoting participants and provide pertinent and necessary information, provided that they shall leave the meeting when discussion or voting takes place.</p>
Key emphasis of the Committee	<ul style="list-style-type: none"> ➤ To assist the Board of Directors in decision making and supervise the proper presentation of financial statements, the selection (dismissal) of CPA and the assessment of their independence and suitability, effective implementation of the Bank's internal control system, compliance with laws and regulations, and operation of the risk control mechanism, etc., and review important content of motion required by the Bank or the competent authority. ➤ Regarding the various reports of the management department and the auditing unit, which involve the effectiveness of the Bank's internal control system, including the control operations of overseas subsidiary banks and major cases that have been reported, put forward specific improvement suggestions, and require the management department to implement. ➤ To review the Bank's secured loans to interested parties under Article 33 of the Banking Act, if the amount of secured loan exceeds the amount required by the central competent authority and if the Bank's Directors have personal conflict of interest in the matter.
Attendance Status	<p>There were 13 Audit Committee meetings held in 2023, 6 were 3rd Audit Committee, and 7 were 4th Audit Committee. The attendance rate of all Independent Directors (the 3rd and the 4th) reached 100%. Please refer to the website:</p> <p>http://mops.twse.com.tw/mops/web/t100sb03_1</p>

The Committee's meeting date, terms of meeting, content of motion, and the resolution result	I. According to the matters listed in Article 14-5 of the Securities and Exchange Act, The Committee's resolutions:			
	Date, terms of the meetings	Content of motion	Opposed opinion, qualified opinion or significant recommendation of Independent Directors	The Audit Committee Resolution, and the Bank's handling of such resolutions
	January 9, 2023	Amendment to the Bank's "Operational Guidelines for the Portfolio Products Undertaken with Customers."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
	The 34 th meeting of the 3 rd term	Amendments to the Bank's Internal Control System for Securities Brokerage Firm's Auxiliary Business of Futures Trading.		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors.
	February 14, 2023	Amendments to the Bank's Internal Control System for Securities Brokerage		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of
	The 35 th meeting of the 3 rd term			

		Firm's Auxiliary Business of Futures Trading.		Directors.
		Amendments to the Bank's "Internal Control System for Securities Firms."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		The Bank's 2022 Business Report and Financial Statements.		Approved unanimously by the attending Independent Directors, ratified by the Board of Directors, and acknowledged by the Shareholders' Meeting.
	March 15, 2023 The 36 th meeting of the 3 rd term	The Bank's 2022 "Internal Control Statement."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		Amendments to the Bank's "Internal Control System for Trust Enterprises."		
		Authorization for the New		

		York Branch manager to sign the 2022 Compliance Statement to the New York State Department of Financial Services.		
		The Bank's 2022 "Internal Control System Statements for AML/CFT".		
		The appointment and remuneration of the auditor for the financial and tax audit of the Bank for 2023.		
	April 19, 2023 The 37 th meeting of the 3 rd term	Distribution of the Bank's 2022 earnings.		Approved unanimously by the attending Independent Directors, ratified by the Board of Directors, and acknowledged by the Shareholders' Meeting.

		The Bank's earnings capitalization proposal.		Approved unanimously by the attending Independent Directors, ratified by the Board of Directors, and approved by the Shareholders' Meeting.
		The Bank has purchased the current leased premises of the Nankang Science Industrial Park branch and has added it to this year's budget proposal.		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		Amendments to the Bank's "KYC Procedures for Professional Clients of Derivative Product Business"	Recommendations for amending and supplementing the proposal document of the board of directors regarding the revision of the name and certain clauses of the amendment regulations.	Except for the revisions made to the textual explanations provided for the amendments and supplements submitted to the Board of Directors, which are based on the opinions of independent directors, the remaining sections were approved unanimously by the

			attending Independent Directors and subsequently ratified by the Board of Directors.
May 8, 2023 The 38 th meeting of the 3 rd term	Approved the change of the Bank's Financial Officer (S.V.P & Division Head of Treasury Division.)		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
May 24, 2023 The 39 th meeting of the 3 rd term	Adjustment of the budget for the construction project of the Chiencheng Building of the bank.	Recommendations for adding explanations for the increase or decrease in expenses related to this proposal in the board of directors' proposal document, as well as including key points regarding adjustments to bidding documents and contracts.	Except for incorporating an explanation regarding significant price increases and decreases based on the opinions of independent directors and supplementing key points of contract amendments, the remaining sections were approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors.
August 15, 2023	Amendments to the Bank's		Approved unanimously by the

	The 2 nd meeting of the 4 th term	"Internal Control System for Securities Firms."		attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		Amendments to the Bank's "Internal Control System for Securities Brokerage Firm's Auxiliary Business of Futures Trading."		
		Amendments to the Bank's "Internal Control System for Securities Firms."		
		The Bank's 2023 semi-annual financial statement.		
		Proposal for additional budget to purchase land in the Beitou District of Taipei City from the		

		Taipei City Government.		
		Amendments to the Bank's "Internal Control System for Trust Enterprises."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
	September 4 , 2023 The 3 rd meeting of the 4 th term	Proposal for the upgrade and redesign of the "Personal Internet Banking App/ Personal Internet Banking" of the Bank.	Suggestions for considerations during the upgrade and redesign process and recommendations to supplement the proposal to the board of directors with estimated amounts covering the scope of work items.	Except for discussing the supplementary materials proposed to be supplied to the board of directors, the remaining sections were approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
	October 11, 2023 The 4 th meeting of the 4 th term	Proposal for the amendments to the "Authorization Regulation for Designated Foreign Exchange Branches to		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.

		Conduct the Business of Recommending Financial Derivatives" of the Bank.		
		Amendments to the Bank's "Internal Control System for Securities Firms."		
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	November 24, 2023 The 6 th meeting of the 4 th term	The Increase of the construction budget of Urban Renewal Project of 764 and 764-1, Subsection 1, Changchun Sec., Zhongshan Dist., Taipei		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		The Bank's draft budget for 2024.		

	December 14, 2023 The 7 th meeting of the 4 th term	Amendments to the Bank's "Internal Control System for Securities Firms."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		Amendments to the Bank's Internal Control System for Securities Brokerage Firm's Auxiliary Business of Futures Trading.		
		Amendments to the Bank's "Internal Control System for Securities Firms."		
		The Bank's auditing plan for 2024.		
II. Other resolutions that have not been passed by The Audit Committee but have been approved by more than two-third of all Directors: None.				