

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>The 4th Audit Committee held 13 meetings in 2024. The attendance rate of all Independent Directors reached 100%. Please refer to the website:</p> <p>http://mops.twse.com.tw/mops/web/t100sb03_1</p>
The Committee's	<p>I. According to the matters listed in Article 14-5 of the Securities and Exchange Act, The Committee's resolutions:</p>

meeting date, terms of meeting, content of motion, and the resolution result	Date, terms of the meetings	Content of motion	Opposed opinion, qualified opinion or significant recommendation of Independent Directors	Audit Committee Resolutions, and the Bank's handling of such resolutions
	January 18, 2024 The 8 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.
	February 21, 2024 The 9 th meeting of the 4 th term	The Bank's 2023 "Internal Control System Statements for AML/CFT."		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 Firms."		
		The Bank's 2023 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 11, 2024 The 10 th meeting of the 4 th term	The Bank's 2023 "Internal Control Statement."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the
		Amendments to the Bank's		

		"Internal Control System for Securities Investment Consulting Enterprises."		proposal.
		Authorization for the New York Branch VP & GM to sign the 2023 Compliance Statement to the New York State Department of Financial Services.		
		Participates in Urban Renewal Plan of 14 lands including No.814-1, Subsection 4, Jinhua Section, Da'an District, Taipei City.		
		The appointment and remuneration of the auditor for the financial and tax audit of the Bank for 2024.		
	April 8, 2024 The 11 th meeting of the 4 th term	Amendments to the Bank's "Internal Control System		Approved unanimously by the attending Independent Directors and subsequently ratified

		for Securities Firms."		by the Board of Directors according to the proposal.
		Amendments to the Bank's "Accounting System."		Except for the revisions and additions to the board proposal discussed at the meeting, all other parts were approved as proposed by the attending independent directors; subsequently, the Board of Directors agreed to approve the proposal as presented.
		Distribution of the Bank's 2023 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.
	May 6, 2024 The 12 th meeting of the 4 th term	The Bank's Taoyuan Branch to applies for rebuilding based on the "Statute for Expediting Reconstruction of Urban Unsafe and Old		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.

		Buildings."		
		Approved the retirement case of the Bank's EVP & Chief Auditor.		
	June 13, 2024 The 13 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.
	July 4, 2024 The 14 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."		
		Approved the retirement case of the Bank's SVP & Division Head of Financial Management		

		Division.		
		Approved the change of the Bank's Accounting Officer (SVP & Division Head of Financial Management Division).		
	August 12, 2024 The 15 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.
		The Bank's 2024 semi-annual financial statement.		
		Assigned the appointment of Ms. Yu-Chin Fan as the EVP & Chief Auditor of the Bank.		
	September 9, 2024 The 16 th meeting of the 4 th term	Amendments to the "Chang Hwa Bank Regulations Governing the Implementation of Internal Control and Business Solicitation		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.

		System of Insurance Agency Business."		
	October 11, 2024 The 17 th meeting of the 4 th term	Participates in Urban Renewal Plan of "26 lands including No.788, Subsection 1, Chengzhong Section, Zhongzheng District, Taipei City."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
	November 6, 2024 The 18 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 Trust Enterprises."		
	November 26, 2024 The 19 th meeting of the 4 th term	Amendments to the "Operational Guidelines Governing Financial Derivatives Transactions for Chang Hwa Bank."		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 2025.		Except for the revisions to the board proposal materials discussed at the meeting, all other parts were approved as proposed by the attending Independent Directors; subsequently, the Board of Directors agreed to approve the proposal as submitted.
		Establishment of the responsibility map for the Bank and related management rules and regulations.		
	December 12, 2024 The 20 th meeting of the 4 th 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.
		Formulated the Bank's "Regulations on Sustainability Information Management."		Approved unanimously by the attending Independent Directors and subsequently ratified by the Board of Directors according to the proposal.
		The Bank's auditing plan for 2025.		
	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.			