

Yuanta Financial Holding Company
Audit Committee Charter

Approved by the Board of Directors on March 27, 2007 (12th meeting of the 3rd board)

Amendments approved on September 26, 2007 (5th meeting of the 4th board)

Amendments approved on December 28, 2010 (7th meeting of the 5th board)

Amendments approved on July 22, 2014 (19th meeting of the 6th board)

Amendments approved on September 27, 2017 (19th meeting of the 7th board)

Amendments approved on August 28, 2019 (5th meeting of the 8th board)

Amendments approved on March 23, 2020 (14th meeting of the 8th board)

Article 1

This Charter is adopted pursuant to Article 3 of the *Regulations Governing the Exercise of Powers by Audit Committees of Public Companies*.

Article 2

Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by the Company when the Audit Committee ("the Committee") exercises its powers shall be handled in accordance with this Charter.

Article 3

The main function of the Audit Committee is to supervise the following matters:

1. Fair presentation of the financial reports of the Company.
2. The hiring (and dismissal), independence, and performance of certificated public accountants of the Company.
3. The effective implementation of the internal control system of the Company.
4. Compliance with relevant laws and regulations by the Company.
5. Management and control of the existing or potential risks of this Company.

Article 4

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.

The term of office of the members of the Committee shall be the same as that of the independent directors. 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

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by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse or there are vacancies, a special shareholders meeting shall be called within sixty (60) days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 5

Powers conferred by the *Securities and Exchange Act*, the *Company Act*, the *Financial Holding Company Act*, and any other law to be exercised by supervisors, excepting those set forth in Article 14-4, Paragraph 4 of the *Securities and Exchange Act*, shall be exercised by the Committee.

The provisions of Article 14-4, Paragraph 4 of the *Securities and Exchange Act*, in regard to the *Company Act* as concerns the actions of supervisors or their role as representatives of a company, apply to the independent director members of the Committee.

Article 6

The powers of the Committee are as follows:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the *Securities and Exchange Act*.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the *Securities and Exchange Act*, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director of the board is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual financial report signed or sealed by the chairperson, the managers, and the accounting supervisors and the second-quarter financial report, which is subject to an audit and certification by certified public accountants.
11. Other material matters as may be required by the Company or by the competent authority.

The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to

the board of directors for a resolution.

Any matter in Paragraph 1, with the exception of Subparagraph 10, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire board of directors, and is not subject to the restrictions in the preceding paragraph. And the resolutions of the Committee shall be recorded in the minutes of the meetings of the board of directors.

“The entire membership,” as used herein, shall be counted as the number of members actually in office at the given time.

The convener of the Committee shall represent the Committee to the public.

Article 7

The Committee shall convene once a month, and may call a meeting at its discretion whenever necessary.

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 seven (7) days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.

A member of the Committee shall be elected as the convener and meeting chairperson 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.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of the Company to attend the meeting as non-voting participants and provide pertinent and necessary information, provided that they shall leave the meeting when discussion or voting takes place.

When the Committee calls a meeting, it shall furnish the members of the Committee present at the meeting with relevant materials for reference as necessary.

Article 8

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

Independent director members shall attend meetings of the Committee in person; if

an independent director member is unable to attend in person, the independent director member may appoint another independent director member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person. However, the sign-in book shall be faxed in lieu of the sign-in.

A member of the Committee that appoints another independent director 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.

Except for Article 6, Paragraph 1, Subparagraph 10, if for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors. Nevertheless, a written opinion indicating approval or disapproval shall be obtained from each independent director member with respect to the matters under Article 6, Paragraph 1, Subparagraph 10.

The proxy under Paragraph 2 may accept a proxy from one person only.

Article 9

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chairperson.
3. Attendance by the independent director members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is a stakeholder as referred to in Paragraph 1 of Article 11, explanation of the material aspects of the stake the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.
8. Extemporaneous motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director

members of the Committee and experts and other persons present at the meeting; name of the independent director who is a stakeholder as referred to in Paragraph 1 of Article 11, explanation of the material aspects of the stake the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has resigned; and any objections or reservations expressed.

9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be appropriately preserved during the existence of the Company.

The minutes of a Committee meeting shall bear the signature or seal of both the chairperson and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within twenty (20) days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of Paragraph 1 may be produced and distributed in electronic form.

Article 9-1

Any and all meetings of the Committee shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five (5) years. The files may be stored in the electronic form.

If any litigation relating to a resolution of the meeting of the Committee commences before the expiry of the period in which the evidence shall be kept in accordance with the preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of the litigation.

For a meeting of the Committee convened via videoconferencing, the audio-recorded and videotaped data shall be part of the minutes of the meeting and shall be properly kept during the existence of the Company.

Article 10

The Committee's meeting agenda shall be drafted by the convener with instructions from relevant units. Other members may also put forward proposals for discussion by the Committee.

Article 11

An independent director member of the Committee shall explain the material

aspects of the stake he or she has when he or she is a stakeholder with respect to a given agenda item. When such a relationship is likely to prejudice the interests of the Company, the independent director shall not attend the discussion and voting and shall recuse himself or herself therefrom. Also, he or she shall not exercise the voting right for and on behalf of another independent director member.

An independent director's spouse, his or her collateral relatives by blood within two generations, who have a stake in the meeting matter mentioned in the preceding paragraph, shall be deemed that the independent director him- or herself has a stake in the matter.

If, for the reason stated in Paragraph 1, an agenda item cannot be resolved at a meeting of the Committee, it shall be reported to the board of directors, which shall resolve on the item.

Article 12

The Committee and independent directors may, on behalf of the Company, retain the service of an attorney, certified public accountant, or other professionals, to audit or advise on matters necessary for the exercise of powers. The costs of their services shall be borne by the Company.

Article 13

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in this Charter; they shall be accountable to the board of directors and shall submit their proposals to be resolved by the board.

Article 14

The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the board of directors.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 15

This Charter, and any amendments hereto, shall come into in force after adoption by a resolution of the board of directors.