

Communication between the Audit Committee and Auditing Units

In order to improve the efficiency and effectiveness of its operations and strengthen the interaction with the internal auditing units, the audit committee has formulated the Communication Procedures between the Audit Committee and the Internal Auditing Department to supervise the implementation of and bring the professional functions of the auditing units into full play. Communication between the audit committee and auditing units are as follows:

1. Monthly: The auditor-general sits in the audit committee and reports on the auditing operation of this Company and its subsidiaries. For example: Overview of internal and external audits, matters instructed by letters from the competent authorities, and other management situations of subsidiaries' auditing businesses.
2. Semi-annually: The internal auditing department keeps track of the improvement matters handled by each unit listed in the internal audit report, and incorporates them into the monthly audit business report until the improvement matters are completed.
3. Annually:
 - (1) In the absence of the management-level personnel, the audit committee holds a communication meeting with the internal auditors, and the auditor-general reports on the current status of this Company and its subsidiaries' internal controls. During the meeting, the independent directors fully communicate the issues of concern.
 - (2) The audit committee evaluates the overall performance of internal audit every year and requests the internal auditing department to provide specific responses to the recommendations.
4. Irregular:
 - (1) The audit committee reviews from time to time the implementation of the self-examination and evaluation of the internal audit system and internal control system, including the annual auditing plan, revisions of the main rules of the internal auditing department ("Regulations Governing the Implementation of Internal Control and Audit Systems," and "Main Points of the Audit Business Assessment of Subsidiaries") and the Statement of the Internal Control System.
 - (2) The audit committee requires internal auditors to report any significant abnormalities to the independent directors immediately during the review process; for major incidents of this Company or its subsidiaries, the internal auditing department first notifies the directors and independent directors by email or text message, and then submits the report to the audit committee, so that the audit committee can grasp the abnormal information as soon as possible.