

Yuanta Financial Holding Company
Risk Management Committee Charter

Approved by the Board of Directors on March 15, 2023 (12th meeting of the 9th board)

Article 1 (Purpose and Basis)

In order to improve and strengthen the risk management mechanism, the Company has established a Risk Management Committee (hereinafter referred to as “the Committee”) with reference to the *Risk Management Best Practice Principles for TWSE/TPEX Listed Companies* and set up the charter of the Committee (hereinafter referred to as “the Charter”) in accordance with Article 16-5 of the Articles of Incorporation of Yuanta Financial Holding Company, Inc.

Article 2 (Committee Composition and Term of Office)

The Committee shall consist of at least three directors elected by the board of directors, at least half of whom shall be independent directors, and all members shall elect an independent director from among themselves as the convener and chairperson of the meeting.

The term of a Committee member, except as otherwise provided by law and regulation or the Company’s articles of incorporation or bylaws, shall extend from the date of the director’s selection as Committee member by the board to the date of expiration of the director’s term, the director’s resignation from the Committee or the directorship, or the director’s replacement by another director selected as Committee member by the board.

Article 3 (Duties and Powers)

The Committee is subordinate to the board of directors and is responsible for the following:

1. Reviewing risk management policies and systems.
2. Reviewing annual risk limits and thresholds for monitoring indicators.
3. Reviewing the risk management performance report.
4. Supervising the management of the Company’s existing or potential risks.
5. Assisting the board of directors in supervising the implementation of risk management decisions.
6. Other risk management matters as designated by the board of directors or the Committee shall be handled or reported.

Article 4 (Meeting Call and Notice)

Meetings of the Committee shall be held at least once a quarter, and may be held at any time as necessary.

In convening a meeting of the Committee, a notice setting forth the subjects to be

discussed at the meeting shall be given to each member at least seven (7) days in advance. In emergency circumstances, however, the meeting may be convened on shorter notice. The notice of the meeting may be prepared and distributed electronically.

The agenda of the Committee shall be set by the convener and other members may also provide motions. The agenda of the meeting shall be provided to the members of the Committee in advance.

If the convener of the Committee takes leave or is unable to convene a meeting for any reason, the convener shall appoint one of the other independent directors on the Committee to act in his or her place. If the convener does not make such an appointment, an independent director of the Committee shall be elected by and from among the other members on the Committee to serve as convener.

The Committee may invite directors of the board, officers of related departments, and internal auditors of the Company to attend the meeting as non-voting participants depending on the content of the motions. If necessary, accountants, lawyers, or other professionals may also be invited to attend the meeting and provide related information. However, they should leave the meeting during discussions and voting.

Article 5 (Rules of Procedure)

When the Committee convenes, a sign-in attendance book shall be set up for the attending members to sign in for inspection.

The Committee members shall attend the meeting in person. If a member is unable to attend the meeting in person, the member shall take leave of absence or appoint another member to attend as his or her proxy, provided that the proxy is appointed by one person only. Attending a meeting via telecommunications will be deemed attendance in person.

A member of the Committee that appoints another member as proxy to attend a meeting 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 consent of one half or more of the entire membership. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chair no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote. The result of the vote shall be made known immediately and recorded in writing.

Article 6 (Meeting Minutes)

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 chair.

3. Attendance of the Committee members at the meeting, specifying 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: results of resolutions, summaries of speeches by Committee members, experts and other persons present at the meeting, and dissenting or reserved opinions on each motion.
8. Extemporaneous motions: The name of the mover; the result of resolution for each motion; a summary of the comments of the Committee members, experts and other persons present at the meeting; and dissenting or reserved opinions.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee. If the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chair and the minute taker. A copy of the minutes shall be distributed to each member on the Committee within twenty (20) days after the meeting, and shall be presented to the board of directors and retained as important corporate records for five (5) years. The meeting minutes may be produced and distributed in electronic form.

If a lawsuit concerning matters related to the Committee arises before the expiration of the aforementioned retention period, the relevant information shall continue to be retained and the aforementioned provisions shall not apply.

Article 7 (Recusal)

If a member of the Committee has a personal stake in the matter under discussion at the Committee meeting resulting in a risk that it is detrimental to the Company's interests, that member shall undertake to disclose the material content of the stake in the meeting, and he or she shall not participate in discussions and voting. He or she shall also recuse himself or herself from discussions and voting and shall not exercise his or her voting rights on behalf of other members of the Committee.

A member of the Committee whose spouse or collateral relatives by blood within two generations has an interest in the matter of the meeting mentioned in the preceding paragraph shall be deemed to have his or her own interest in the matter.

If, as a result of Paragraph 1, the Committee is unable to resolve the matter, it shall report the matter to the board of directors, who shall make the resolution.

Article 8 (Resources to Be Provided by the Company in the Exercise of Powers)

The Committee may, at the expense of the Company, resolve to retain the service of an attorney, certified public accountant, or other professional to conduct a necessary audit or to provide advice on matters relating to the exercise of the Committee's powers.

Article 9 (Obligations of Members)

The members of the Committee shall exercise good stewardship, faithfully perform their duties as set forth in the Charter, be accountable to the board of directors, and submit important motions to the board of directors for resolution.

Article 10 (Implementation of Resolutions)

Matters resolved by the Committee and related implementation work may be delegated to the convener or other Committee members to supervise the relevant authority and responsibility for the implementation of the resolutions, with a written report to be presented to the Committee during the implementation period. When necessary, the matters shall be presented for ratification or a report made at the next meeting of the Committee.

Article 11 (Meeting Affairs Unit)

The Committee's meeting affairs unit is the Secretariat Office, which is responsible for assisting the Committee in compiling motions, convening notices, conducting business, taking minutes of meetings, and compiling information on the implementation of the Committee's resolutions.

The Risk Management Department and all departments of the Company may provide assistance necessary for the operation of the Committee in accordance with the relevant rules and regulations of the Company.

Article 12 (Unfinished Business)

All matters not covered by the Charter shall be governed by the relevant laws and regulations of the competent authorities and other relevant rules and regulations of the Company.

Article 13 (Approval Level)

The Charter and any amendments to it, shall be implemented upon approval by the board of directors.