

Internal Audit

The Company's Audit office is an independent unit that reports directly to the Board of Directors that is comprised of one full-time dedicated internal audit specialist, is qualified by international internal auditors' examination and is certificated. Any appointment or discharge of the Chief Audit Executive shall be approved by the Audit Committee and decided by Board of Directors, and be reported to the FSC for recording via the internet-based information system within 2 days from the date of occurrence.

The Charter of Internal Audit is to review the internal controls in the company's business processes and to report on those controls with respect to the adequacy, effectiveness, and efficiency of their design as well as their actual functioning on day-to-day basis. All parts of the Company are open for review by the Audit Office.

Regular internal audits are executed according to the annual audit plan, which needs to be approved by the Board of Directors. Such plan will take into account risks that have been identified. Special audit projects are implemented as needed. These audits enhance internal control and provide timely recommendations for future improvements. In accordance with corporate governance, audit reports are regularly submitted to and reviewed by the Audit Committee.

The Method and Schedule of Contacts among The Head of Internal Audit, CPA, and Independent Directors:

1. In addition to emailed monthly audit reports to independent directors, the head of internal audit reported major findings and suggestions to independent directors during Audit Committee meetings.
2. Summarized quarterly financial statements information should be delivered and communicated with independent directors during Audit Committee meetings in order to comply with regulations defined in No 39 Statements of Auditing Standards and No.0930105373 of Securities and Futures Bureau.
3. Audit Committee should have no less than one meeting per quarter. Summary discussion among independent directors, CAP and internal audit of each Audit Committee meetings for 2019 as following:

Date	Audit Committee	Key Discussion Point
108/2/25	1 st Term 3 rd Meeting	<ol style="list-style-type: none">1. Presented the results of 4Q18 internal audit.2. Revise the Company's internal control procedures.3. Revise the related management methods of the Company's internal

		<p>control procedures.</p> <ol style="list-style-type: none"> 4. Revise the Company's "Regulations Governing the Acquisition and Disposal of Assets" 5. Revise the Company's "Guidelines for Derivatives Trading" 6. 2018 Internal Audit Report Declaration after reviewing the 2018 internal audit procedures 7. Appoint 2018 CPA and independent evaluation 8. The Company's 2018 business report 9. The Company's 2018 financial statement 10. Submit the Company's profit distribution plan for approval 11. CPA present the 2018 financial report; discuss and communicate for major financial assessment, tax and securities governing regulations updates. <p>No suggestion from independent directors.</p>
108/4/30	1 st Term 4 th Meeting	<ol style="list-style-type: none"> 1. Presented the results of 1Q19 internal audit. 2. Apply for forward exchange derivatives trading quota 3. Revise the Company's Regulations Governing Loaning of Funds to Others 4. Revise the Company's Procedures for Endorsement & Guarantee. 5. Audit the Company's 1Q19 financial report 6. CPA present the 1Q19 financial report; discuss and communicate for major financial assessment, tax and securities governing regulations updates. <p>No suggestion from independent directors.</p>
108/7/31	1 st Session 5 th Meeting	<ol style="list-style-type: none"> 1. Presented the results of 2Q19 internal audit. 2. CPA present the 2Q19 financial report; discuss and communicate for major financial assessment, tax and securities governing regulations updates. <p>Suggestion from independent directors: discuss and communicate for obtaining the tax preference</p>
108/10/29	1 st Session 6 th Meeting	<ol style="list-style-type: none"> 1. Presented the results of 3Q19 internal audit. 2. Established 2020 internal audit schedule. 3. Revise the Company's Audit Committees Charter. 4. CPA present the 3Q19 financial report; discuss and communicate for major financial assessment, tax and securities governing regulations updates. <p>No suggestion from independent directors.</p>