

# **Mega International Commercial Bank**

## **The Charter of Risk Management Committee**

Approved on March 4, 2008  
Amended on July 27, 2008  
Amended on June 8, 2009  
Amended on April 1, 2011  
Amended on September 10, 2014  
Amended on October 7, 2014  
Amended on June 30, 2016

Amended in the 16th meeting of the 15th term of the Board of Directors on November 4, 2016  
Amended in the 20th meeting of the 15th term of the Board of Directors on January 25, 2017  
Amended upon the authorization of the 33th meeting of the 15th term of the Board of Directors on February 9, 2018  
Amended in the 37th meeting of the 15th term of the Board of Directors on June 22, 2018  
Amended upon the authorization of the 6th meeting of the 16th term of the Board of Directors on February 22, 2019  
Amended in the 21th meeting of the 16th term of the Board of Directors on April 10, 2020  
Amended in the 33th meeting of the 16th term of the Board of Directors on March 12, 2021  
Amended upon the authorization of the 5th meeting of the 17th term of the Board of Directors on April 8, 2022  
Amended upon the authorization of the 15th meeting of the 17th term of the Board of Directors on January 13, 2023

### Article 1 (Purpose)

Risk Management Committee ( "the Committee" ) is established and delegated by the Board of Directors ( "the Board" ) to reinforce corporate governance and assist the Board in supervising the risk management framework with the aim of assuring safe and sound operation of the Bank.

### Article 1-1 (Responsible Unit)

Risk Management Department is responsible for drafting and proposing amendments of the Charter when any amendments for the Charter is needed.

### Article 2 (Responsibilities and Duties)

Listed below are responsibilities and duties of the Committee:

1. Review and discuss risk management policies of the Bank;
2. Review and discuss major rules and regulations related to risk management of the Bank;
3. Review and discuss the risk appetite and annual risk management goals of the Bank;
4. Review and discuss the Bank's risk mechanisms and the implementation thereof;
5. Review and discuss the implementation status of the risk management framework reported by the U.S. Risk Committee;
6. Review and discuss major loss events and countermeasures;
7. Review and discuss the early warning signals and countermeasures for major risks; and
8. Review and discuss other major issues regarding risk management.

### Article 3 (Committee Membership)

The Committee shall be composed of the following members:

1. Chairman of the Board: The Chairman of the Board acts as the convener and the chairman of the Committee.
2. President
3. Senior Executive Vice Presidents
4. Chief Compliance Officer
5. Heads of the following departments:
  - (1) Risk Management Department
  - (2) Credit Control Department
  - (3) Overdue Loan & Control Department
  - (4) Credit Analysis Department
  - (5) Overseas Business Management Department
  - (6) Business Administration Department
  - (7) Compliance Department
  - (8) Anti-Money Laundering & Financial Crime Compliance Department
  - (9) Data Processing & Information Department
  - (10) Information Security Department
6. Other persons designated by the convener

The Committee shall consist of at least one member having experience in identifying, assessing, and managing risk exposures of large, complex financial firms.

When unable to convene or preside at the meeting for any reason, the Chairman shall be represented by the designated person or by the President.

Except for Senior Executive Vice Presidents assigned to work abroad on a non-temporary basis, whenever a member is unable to attend the meeting, he/she shall appoint a proxy to attend the meeting. The proxy of head of department shall be the deputy head of the department.

The meeting attendees without voting rights shall include Chief Auditor and other persons designated by the convener.

### Article 4 (Administrative Office)

The duties of administrative office of the Committee ( "the Administrative Office" ) shall be fulfilled by Risk Management Department. The duties include scheduling the committee's business, preparing notices of meetings, preparing agendas, taking the minutes of the meeting, ensuring that meetings run smoothly in accordance with the Charter and that necessary follow up actions are taken, and other related matters.

Article 5 (Frequency of Meetings)

The meeting shall be held at least quarterly, and whenever necessary.

Article 6 (Proposal Process)

Proposals and reports shall be drafted and prepared by respective departments, submitted to the Senior Executive Vice President for finalizing and then delivered to the Administrative Office for preparing the meeting agenda.

Article 7 (Resolutions)

Resolutions of the Committee shall be adopted by a simple majority of the members present. The results of the voting shall be reported on the spot and recorded in the minutes.

Article 8 (Meeting Minutes and Post Meeting Process)

Meeting minutes shall be delivered to the related departments for implementation upon approval of Chairman of the Board, and shall be reported to the Board by the Administrative Office.

After being reviewed and discussed by the Committee, proposals or reports required to be submitted to the Board shall be submitted by respective departments in accordance with related regulations.

Article 9 (Others)

Any matters not specified in the Charter shall be conducted in accordance with the applicable laws, regulations or the Bank's other internal rules.

Article 10 (Approval Authority)

The Charter shall be implemented upon approval of the Board of Directors. The Board's approval is also required for amendments to the Charter or rescission of the Charter.

Note: If the English version contains any discrepancy from the original Chinese version, the original Chinese version shall prevail.