

Mega International Commercial Bank Compliance Committee Charter

Stipulated on Dec. 30, 2016
Revised on Jan. 25, 2017
Revised on Jul. 21, 2017
Revised on Sep. 22, 2017
Revised with authorization on Feb. 09, 2018
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Revised with authorization on Apr. 8, 2022
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Article 1 (Purpose and Managerial Unit)

Compliance Committee (“the Committee”) is established and delegated by the Board of Directors (“the Board”) to ensure the continuous implementation of internal compliance program with the aim of achieving the independent identification, assessment, and supervision of compliance.

Article 1.1(Responsible Unit)

The responsible unit for the Charter is the Compliance Department.

Article 2 (Duties and Responsibilities of the Committee)

The Committee shall be in charge of the following matters:

1. Review and discuss the compliance program that is required to be submitted to the Board or of a nature of bank-wide consistency, and “the Program of the Anti-Money Laundering and Countering Terrorism Financing” and its implementation.
2. Review and discuss the Important Rules managed by Compliance Department and Anti-Money Laundering & Financial Crime Compliance Department.
3. Review and discuss the recurring deficiencies in compliance identified by the internal or external audits or compliance self-evaluation performed by departments, the cause analysis and the implementation of the action plan thereof.
4. Review and discuss the material violations of laws and regulations or downgrade by authorities, the cause analysis, possible impact, and the action plan.
5. Review and discuss the adequacy of internal control measures regarding enforcement imposed on the banking industry or other compliance issues.
6. Review and discuss the matters that shall be submitted to the Committee according to the requirements of the competent authorities including but not limited to the regular report about “the implementation and management of BSA/AML and OFAC/Sanctions Compliance Program” by the compliance officer of the branches in the U.S. area.
7. Review and discuss the matters of AML risk appetite of the Bank.

8. Review and discuss the appointment of a legal counsel that the cost thereof can't be estimated in advance because of long-term legal consulting need or uncertain scope of the appointment.
9. Review and discuss related matters concerning compliance, anti-money laundering and countering terrorism financing beyond the aforementioned 1 to 8 items.

Article 3 (Members of the Committee)

Membership of Committee, as composed of the following persons, shall consist of two (2) or more directors:

1. The Chairman of the Board: Chairman of the Board acts as the convener and the chairman of the Committee Meeting (“the Meeting”).
2. The President.
3. The Chief Compliance Officer.
4. The Senior Executive Vice Presidents and the General Managers of the following departments:
 - (1) The Compliance Department.
 - (2) The Risk Management Department.
 - (3) The Overseas Business Management Department.
 - (4) The Business Administration Department.
 - (5) The Anti-Money Laundering & Financial Crime Compliance Department.
5. Members of the Board or other persons designated by the convener.

The Chairman shall be represented by the President or the designated person when unable to convene or preside at the Meeting for any reason.

A member who is unable to attend the Meeting may designate a proxy instead. A proxy can be designated by only one member at a time. Among which, the General Manager may be represented by the Deputy General Manager from the same department as the proxy.

The Meeting attendees without voting rights shall include Chief Auditor and those persons designated by the convener, and other personnel related to the agenda.

Article 4 (Unit for Meeting Matters)

Compliance Department is the responsible unit for the Meeting matters, in charge of the edit of the meeting agenda, the notification to the Committee members of the convening of the Meeting, the proceedings of the Meeting, the keeping of the meeting minutes, the follow up of the resolutions and any other related matters.

Article 5 (Meeting Schedule)

The Meeting shall be held once every quarter in principle, provided, however, it will be held whenever necessary.

Article 6 (Proceeding and Meeting Minutes)

The committee shall have more than half of the members present, among which at least one director shall be included. The resolutions of the Meeting shall be made upon the consent by more than half of the members present.

The results of the voting shall be reported on the spot and recorded in the minutes which shall be submitted to the Chairman of Board for approval and subsequently send to the related units for implementation.

The Unit for Meeting Matters shall, respectively, submit Meeting minutes and the implementation status to the Board and the next Meeting.

Article 6-1 (Conflict of Interest)

If a committee member has a conflict of interest with respect to the agenda items of the Meeting, which may be detrimental to the interests of the company, the member shall not participate in the discussion and voting. Furthermore, the member shall recuse himself/herself from the voting and discussion process, and is not allowed to act as a proxy for other members in exercising their voting rights.

Article 7 (Meeting Proposals)

The proposal shall be drafted by the submitting unit, after the approval of its supervised Senior Executive Vice President, send to the Unit for Meeting matters.

The proposal prescribed in the previous Paragraph which is required to be otherwise submitted to the Board after the approval of the Meeting shall be submitted by the submitting unit itself.

Article 8 (AML&FCC Committee)

The Anti-Money Laundering & Financial Crime Compliance Committee shall be established under the Committee, and the President is authorized to approve its charter.

Article 9 (Others)

Matters not specified in the Charter shall be conducted in accordance with applicable laws and regulations, or the Bank's Internal Rules.

Article 10 (Approval Level)

The Charter and any revision or repeal thereof shall be implemented upon approval of the Board.