



## Audit and Sustainable Committee

SCSB's Board of Directors passed the "Audit Committee Charter" in November 2014 to implement corporate governance. The Audit Committee was established in June 2015.

To implement SCSB sustainable development goals, to strengthen sustainable governance, management mechanisms and to demonstrate the importance of sustainable development, the Board of Directors has taken into account the functions and effectiveness of each functional committee under the Board of Directors. In November 2024, the Board of Directors has approved the proposal to change the name of the "Audit Committee" to the "Audit and Sustainable Committee" (becomes effective after the amendment of the "Articles of incorporation" is approved by the 2025 shareholders' meeting). Accordingly, the "Audit Committee Charter" is amended, and the name of aforementioned charter is changed to the "Audit and Sustainable Committee Charter".

### A. Composition, professional qualifications, experience, and independence of the member

The committee is composed of all Independent Directors and shall not be less than three members. One of them shall be the convener, and at least one of them shall have accounting or financial expertise.

Please refer to "Disclosure of Directors' professional qualifications and independence information" under "Corporate Governance Report".

### B. Duties

The primary objectives are to oversee the fair presentation of the financial statements, the selection (dismissal) and independence and performance of CPAs, the effective implementation of internal control, the compliance with applicable laws and regulations, the management of existing or potential risks, as well as sustainability-related responsibilities and supervision.

### C. Annual work focus

- (A) Establish or amend the internal control system.
- (B) Internal control system and related policies and procedures.
- (C) Establish or amend the major procedures for the acquisition or disposal of assets, derivative transactions, loans to others, endorsements or guarantees for others.
- (D) Matters involving the directors' personal interests.
- (E) Significant asset/derivative transactions.
- (F) Offering/issuance/private placement of equity-type securities.
- (G) Appointment/dismissal/remuneration of CPAs.
- (H) Appointment and dismissal of financial/accounting/internal auditing officers.
- (I) Audit of financial statements.
- (J) Sustainable development policy, strategy, and overall framework.
- (K) Annual sustainability plans, objectives, and implementation initiatives.
- (L) Sustainability performance review and evaluation.
- (M) Other important matters required by SCSB or the competent authority.

### D. Operations

- (A) The committee is composed of three members, all of whom are independent directors, and at least one member possesses expertise in accounting.

(B) The term for this committee is from June 21, 2024 to June 20, 2027. In 2025, the committee convened 9 meetings, and all directors attended in person, with an attendance rate of 100%, and the directors attended as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Managing Director	CHEN, MU-TSAI	9	0	100%	Convener
Independent Director	TSENG, KUO-LIEH	9	0	100%	
Independent Director	FANG, YEN-LING	9	0	100%	

#### E. Other mentionable items

(A) When the operations of Audit Committee encounter any of the following circumstances, the meeting date, ordinal number of session, content of proposals, opinions of every Independent Director and SCSB's handling of such opinions shall be recorded (both non-voting attendees and presenters left the meeting before discussions and voting on the proposals):

a. Matters as provided by Article 14-5 of the "Securities and Exchange Act"

Term/Date	Proposal and Follow-up Treatment	Resolutions and the Handling of the Committee's Opinions
4th meeting of 4th-term 2025/2/21	Business report, financial statements, and consolidated financial statements Audit plan	Approved as proposed.
	Amendment to Internal Control System for Proprietary Trade and Underwriting, Internal Audit Rules for Proprietary Trade and Underwriting	The amended proposals were approved.
	■ Result of the resolution of the board meeting: Approved as proposed.	
5th meeting of 4th-term 2025/3/4	Risk management report Adequacy and independence of retained CPAs	The amended proposals were noted.
	Implementation status of legal compliance system AML/CFT statement Audit report Internal audit quality self-assessment report	Noted.
	■ Result of the resolution of the board meeting: Noted.	
	Amendment to Regulations Governing Treasury Business Authorization, Regulations Governing Financial Products Authorization, Internal Management Rules for Products, AML/CFT Policy, Group Personal Data Protection Policy	Approved as proposed.
	Implementation report on compliance risk management and supervision Earnings distribution proposal Report on overall implementation of information security and improvement Internal control system statement AML/CFT internal control system statement Customer statement	



Term/Date	Proposal and Follow-up Treatment	Resolutions and the Handling of the Committee's Opinions
	Statement on matters after the period Assurance report on AML/CFT internal control system Advance payment Credit loan Appointment and dismissal of Chief Auditor Release of directors from non-competition restrictions	
	General contractor for the self-owned real estate reconstruction project and project budget Partnership with stakeholders	The amended proposals were approved.
	Amendment to Procedures Governing Acquisition and Disposal of Assets, Articles of Incorporation, Regulations Governing Responsibility Map System, Things to Note for AML/CFT	
	■ Result of the resolution of the board meeting: Approved as proposed.	
6th meeting of 4th-term 2025/4/22	Financial statements	Approved as proposed.
	■ Result of the resolution of the board meeting: Approved as proposed.	
7th meeting of 4th-term 2025/5/19	5-year Strategy plan	The amended proposal was approved.
	■ Result of the resolution of the board meeting: Approved as proposed.	
8th meeting of 4th-term 2025/5/28	Risk management report	The amended proposal was noted.
	■ Result of the resolution of the board meeting: Noted.	
	Amendment to Regulations Governing Treasury Business Authorization, Regulations Governing Financial Products Authorization, Preventing Insider Trading Administration Measures, Regulations Governing Internal Control System	Approved as proposed.
	Lease of real estate to stakeholder Donation to stakeholder Outsourcing audit quality assessment Collaborative referral services	
	Amendment to Regulations Governing Internal Control System, AML/CFT risk assessment report Establishment for new trading products Establishment of Corporate Value Enhancement Plan, Regulations Governing Financial Products Risk Management	The amended proposals were approved.
	■ Result of the resolution of the board meeting: Approved as proposed.	
	Amendment to Regulations Governing Internal Control System	The amended proposal was approved.
	■ Result of the resolution of the board meeting: The amended proposal was approved.	

Term/Date	Proposal and Follow-up Treatment	Resolutions and the Handling of the Committee's Opinions
9th meeting of 4th-term 2025/8/4	Implementation status of legal compliance system AML/CFT statement Audit report	Noted.
	Risk management report	The amended proposal was noted.
	■ Result of the resolution of the board meeting: Noted.	
	Establishment of Regulations Governing Financial Products Trading	Approved as proposed.
	Amendment to Regulations Governing Treasury Business Authorization, Internal Control System for Proprietary Trading, Underwriting and Custody of Bonds and Financial Products, Internal Audit Rules for Proprietary Trading, Underwriting and Custody of Bonds and Financial Products, AML/CFT Policy	
	Financial statements	The amended proposals were approved.
	Amendment to Regulations Governing Internal Control System for Offering Services to Customers, Regulations Governing Security and the Maintenance of Personal Data Files, Delegation of Authority and Segregation of Duties, Compliance Policy, Group AML/CFT Policy, Rules of Procedure for Board of Directors Meetings, Audit and Sustainable Committee Charter	
	■ Result of the resolution of the board meeting: Approved as proposed.	
	Additional budget for new core system Appointment of directors	The amended proposals were approved.
	■ Result of the resolution of the board meeting: The amended proposal was approved.	
10th meeting of 4th-term 2025/8/15	Disposal of long-term investments	The amended proposal was approved.
	■ Result of the resolution of the board meeting: The proposer withdrew the motion with the Board of Directors and the motion was never discussed.	
11th meeting of 4th-term 2025/10/27	Outsourcing audit quality assessment report and improvement plan	The amended proposal was noted.
	■ Result of the resolution of the board meeting: Noted.	
	Risk management report	The amended proposal was noted.
	■ Result of the resolution of the board meeting: The amended proposal was noted.	
	Financial statements Audit plan Establishment of Regulation for Financial Products Management for Investments, Regulation for Financial Products Credit Risk Management for Customers Credit Loan Group AML/CFT risk assessment report and methodology	Approved as proposed.



Term/Date	Proposal and Follow-up Treatment	Resolutions and the Handling of the Committee's Opinions
	Amendment to Responsibility Map, Information Security Management, Treasury Policy, Information security assessment plan, Regulations Governing Financial Products Authorization	
	Operating budget Adjustment and amendemnt for business items with stakeholders Launching of option structured products business Establishment of Regulations for Financial Products Operations for Customers	The amended proposals were approved.
	Amendment to Data Sharing Policy, Policy and Procedures for Handling Business Solicitation, Regulations Governing Treasury Business Authorization, Regulations for Internal Audit Quality Assessment Management	
	■ Result of the resolution of the board meeting: Approved as proposed.	
	Purchase of real estate	Reconsideration after the information is supplemented and discussed again upon thorough research.
	Amendment to Treasury Counterparty Authorized Limit Guidance	The proposer withdrew the motion and, therefore, the motion was never discussed.
12th meeting of 4th-term 2025/11/6	Amendment to Regulations for Transfer of Repurchased Shares of SCSB to Employees	Approved as proposed.
	■ Result of the resolution of the board meeting: Approved as proposed.	
	Transfer of Repurchased Shares of SCSB to Employees	Deferred discussion
	Lease of real estate	Discussed after an adequate program is researched and prepared.

b. In addition to the foregoing, there were other matters which have not been adopted by Audit Committee yet have received agreement by resolution of two-thirds at least of all directors: None.

(B) Practice of Independent Directors' avoidance of motions in conflict of interest: None.