

1. Composition and Qualification

The Board of Directors shall appoint the Risk Management Committee by selecting from a certain number of the directors and/or the executives and/or experts, and determine that one appointed and selected member of the Risk Management Committee shall hold the Chairman of the Risk Management Committee office.

2. Office Term

The office of the Risk Management Committee's member is 3 (three) years per term. The member of the Risk Management Committee who is retired by rotation may be selected to resume the office. The Risk Management Committee is directly responsible for the Board of Directors and has power, duties and responsibilities as assigned by the Board of Directors.

3. Power, Duties and Responsibilities

- 1) Establish the policy and guideline of the overall risk management of the Company covering five main risks consisting of strategic risk, operational risk, financial risk, compliance risk, reporting risk, and other risks that will affect the operation and reputation of the Company, to be proposed to the Board of Directors for considering and giving consent.
- 2) Define the measurement criteria of risk and risk ceiling acceptable by the Company.
- 3) Consider the significant risks of the Company and suggest the preventive or reduction method for the degree of risk to be within the risk appetite.
- 4) Supervise, monitor, assess, and improve the operating plan to reduce the risks continuously and suitably for the circumstance of the Company's business operation.
- 5) Review the adequacy of the risk management policy and system, including the effectiveness of the system and compliance with the established policy.
- 6) Regularly report the operation for risk reduction to the Board of Directors, and require the reporting to the Board of Directors for quick consideration in case of the significant matters significantly affecting the Company.
- 7) Authorize power to appoint the Risk Management Working Group of the Company.
- 8) Take any other actions assigned and deemed appropriate by the Board of Directors.

4. Meeting

- 1) The meeting shall be held at least 4 (four) times per year as necessary and appropriate.
- 2) In the Risk Management Committee's meeting, at least half of the committee members shall attend the meeting to meet the constituted quorum.
- 3) The Risk Management Committee may invite other persons relating to the meeting agenda to attend the meeting as necessary.
- 4) The majority vote of the committee members who attend the meeting shall be adhered to the resolution of the Risk Management Committee's meeting.
- 5) The secretary of the Risk Management Committee has duties and responsibilities on the meeting readiness, such as preparation, meeting, meeting agenda, and meeting documents, as well as delivery of the meeting documentation to the Risk Management Committee prior to the meeting in advance, and preparation and submission of the meeting minutes to the Risk Management Committee within 30 (thirty) days after completion of the meeting.

5. Reporting

The Risk Management Committee must report the operating result of the risk management to the Board of Directors, and report the duty performance in the previous year to the shareholders in the Annual Report.