

Cathay United Bank Audit Committee Organizational Charter

Approved on 2022.05.13 during the 18th Meeting of the 16th-term Board of Directors
Amended on 2022.11.10 during the 2nd Meeting of the 17th-term Board of Directors
Amended on 2023.11.09 during the 8th Meeting of the 17th-term Board of Directors
Amended on 2024.03.05 during the 11th Meeting of the 17th-term Board of Directors

Responsible Unit: Legal Affairs Department

Article 1 (Basis for Establishment)

This Charter (hereafter referred to as this “Charter”) is adopted pursuant to Article 3 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.

Article 2 (Scope of Application)

Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by the Bank when the Audit Committee (“the Committee”) exercises its powers shall be handled in accordance with this Charter.

Article 3 (Supervisory Matters)

The main purpose of the operation of the Committee is to supervise the following matters:

1. Fair presentation of the financial statements of the Bank.
2. The hiring (and dismissal), independence, and performance of certificated public accountants of the Bank.
3. The effective implementation of the internal control system of the Bank.
4. Compliance with relevant laws and regulations by the Bank.
5. Management of the existing or potential risks of the Bank.
6. Review of matters relating to mergers and acquisitions.
7. Senior management’s accountability and promotion of the responsibility map.

Article 4 (Number, Composition and Tenure of Members)

The Committee shall be composed of all independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.

The independent director members of the Committee shall serve a three-year term, and may

be re-elected to further terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the Articles of Incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called by the Bank within sixty days from the date of the occurrence to hold a by-election to fill the vacancies.

When one institutional shareholder holds all of the shares of the Bank, the aforementioned independent directors shall be appointed (reappointed) by that institutional shareholder.

Article 5 (Relationship with Supervisors)

The provisions related to supervisors as prescribed in the Securities and Exchange Act, the Company Act, and any other laws shall apply mutatis mutandis to the Committee.

The provisions of Paragraph 4 of Article 14-4 of the Securities and Exchange Act concerning provisions of the Company Act related to the powers of supervisors shall apply mutatis mutandis to the independent director members of the Committee.

The resolution of the Committee should be approved by half or more of all members of the Committee.

The Committee shall elect the Bank's representative under Article 213, Article 214, and Article 223 of the Company Act in accordance with the procedures provided in the preceding paragraph. The Committee may decide to have a single member or all members jointly represent the Committee. If the Committee does not elect a representative following the procedures outlined in the preceding paragraph, all members of the Committee will jointly represent the Committee.

The functions of the special committee for merger/consolidation and acquisition under the Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition shall be exercised by the Committee. The Committee shall conduct review of merger and acquisition matters in accordance with the provisions on resolutions of the Committee and special provisions of the Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition.

Article 6 (Authority of the Committee)

The powers of the Committee are as follows:

1. Establishment of or amendment to internal control systems according to Article 14-1 of the Securities and Exchange Act.
2. Appraisal of the effectiveness of the internal control systems.
3. Establishment of or amendment to the procedures for handling major financial and business activities such as acquiring or disposing of assets, engaging in derivatives trading, etc. according to Article 36-1 of the Securities and Exchange Act.
4. Matters involving the interests of directors.
5. Material assets or derivatives trading.
6. Offering, issuing, or private placement of any equity-type securities.
7. Appointment, discharge, or remuneration of a certified public accountant.
8. Appointment and discharge of financial, accounting, and internal audit managers.
9. Annual and semiannual financial statements.
10. The business report and proposals for surplus earnings distribution or deficit appropriation.
11. Review and approval of matters relating to mergers and acquisitions.
12. Other material matters as may be required by the Bank or by the competent authority.

The matters under the preceding paragraph shall be subject to the approval of half or more of all members of the Committee and shall be submitted to the Board of Directors for a resolution.

The matters in Paragraph 1, except for Subparagraph 9, that have not been approved by half or more of all members of the Committee, may be adopted with the approval of two thirds or more of all directors of the Board and shall not be subject to the preceding provisions.

If for a legitimate reason it is impossible to hold a meeting of the Committee, the matters in Paragraph 1 shall be adopted with the approval of two thirds or more of all directors of the Board, provided that a written opinion indicating approval or disapproval shall be obtained from each independent director member with respect to the matters in Paragraph 1, Subparagraph 9.

The term “Material assets or derivatives trading” as used in Paragraph 1, Subparagraph 5 refers to an asset or derivative transaction that should be approved by the Board of Directors as required by law or in accordance with the Bank's guidelines for the acquisition or disposition of

assets or other regulations.

The terms “all members of the Committee” or “all directors of the Board”, as used herein, shall refer to those who currently hold those positions.

The convener of the Committee shall represent the Committee to the public.

Article 7 (Convention and Meeting Notice)

The Committee shall be convened at least once every quarter and may call a meeting at its discretion whenever necessary.

Convention of the Committee shall be sent to all independent directors of the Committee with detailed agenda at least seven days in advance. However, this shall not apply in case of emergency.

Notifications under the preceding paragraph, including meeting materials, may be made in writing and/or electronically.

A meeting of the Committee shall be held at the Bank and during business hours, or at a time and place convenient to all Committee members and suitable for such meeting.

A member of the Committee shall be elected as the convener and meeting chairperson by and from all members of the Committee. However, if the Committee members are unable to elect a convener, the independent director who received the votes representing the most voting rights shall act as the convener.

When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee as acting convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by and from the other independent director members of the Committee to serve as the convener.

The independent directors constituting at least one-half of all Committee members may request the convener to hold a Committee meeting with a written request with agendas and reasons for the meeting. If the convener fails to convene a Committee meeting within 15 days after such request, the independent directors constituting at least one-half of all Committee members may independently convene a Committee meeting.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of the Bank to attend the meeting as non-voting participants and provide pertinent and necessary information, provided that they shall leave

the meeting when discussion or voting takes place.

When the Committee calls a meeting, it shall furnish the members of the Committee present at the meeting with relevant materials for reference as necessary.

Article 8 (Attendance and Resolutions)

Attendance logs shall be provided during the Committee meetings and signed by all independent directors present at the meeting for inspection and future reference.

Independent director members are required to attend the Committee meetings in person. Those who are unable to attend in person may seek proxy attendance by another independent director member. Independent director members who participate in meetings via video conferencing shall be deemed to have attended the meeting in person.

If a member of the Committee wishes to seek proxy attendance by another independent director member, a new proxy form shall be issued for each meeting of the Committee, and the extent of delegated authority shall be specified for each agenda.

Resolutions at meetings of the Committee shall be adopted with the approval of half or more of all members. The result of a vote shall be made known on the spot and recorded properly.

If for a legitimate reason it is impossible to hold a meeting of the Committee, it shall be done with the consent of two thirds or more of all directors of the Board. Nevertheless, a written opinion indicating approval shall be obtained from each independent director member with respect to the matters under Article 6, Paragraph 1, Subparagraph 9.

The proxy mentioned in Paragraph 2 may act as the proxy for one person only.

Article 8-1 (Postponement of Meeting)

At the scheduled meeting time, if less than half of the Committee members is present at the meeting, the chairperson may declare a postponement of the meeting to a later time on the same day, for up to two times. If the number of attendees remains insufficient after two postponements, the chairperson may re-convene the meeting according to Article 7, Paragraph 2.

Article 8-2 (Proceeding of Meeting)

The Committee shall conduct the meetings in accordance with the agenda specified in the meeting notice, unless otherwise agreed upon by half or more of all Committee members.

The chairperson may not dismiss a meeting without the agreement of half or more of all

Committee members.

If there is less than half of the Committee members present at the meeting and if proposed by an independent director member of the Committee present at the meeting, the chairperson shall postpone the meeting, and Article 8-1 shall apply.

If at any time during a meeting, the chairperson becomes unable to preside over the meeting for any reason or fails to dismiss the meeting under Paragraph 2, an acting convener should be selected in accordance with Article 7, Paragraph 6.

Article 9 (Meeting Minutes)

Proceeding of meetings of the Committee shall be entered into the meeting minutes, which shall include the following items in detail:

1. The meeting session, time and venue.
2. The name of the chairperson.
3. Status of attendance of the independent director members, including the number and name of those who have attended, asked for leave or been absent.
4. The names and titles of the attendees.
5. The name of the minute taker.
6. Reported matters.
7. Matters discussed: The method of resolution and outcome for each agenda; summary of statements of independent director members, experts and other personnel; the names of interested independent director members based on the provisions of Article 11, Paragraph 1; descriptions of important aspects of the interested relationship; the reasons why a recusal is required or not; whether the director recused himself/herself; any dissenting or qualified opinions.
8. Extemporaneous motions: The name of the person who raised the motion; the method of resolution and result of each motion; summary of statements of independent director members, experts and other personnel; the names of interested director members based on the provisions of Article 11, Paragraph 1; descriptions of important aspects of the interested relationship; the reasons why a recusal is required or not; whether the independent director recused himself/herself; any dissenting or qualified opinions.
9. Other matters that shall be recorded.

The attendance log constitutes an integral part of the minutes for each meeting of the Committee, and therefore shall be kept properly during the existence of the Bank.

The meeting minutes shall be signed or stamped by the chairperson and the minute taker, distributed to all independent director members within twenty days after the meeting, and treated as part of the Bank's key files and kept properly during the existence of the bank.

The making and distribution of meeting minutes mentioned in the first paragraph may be conducted electronically.

Article 9-1 (Preservation of Audio or Video Recordings of the Meetings)

The Bank shall record on audio or videotape the entire proceedings of meetings of the Committee, and preserve the recordings for at least five years. The preservation can be done in electronic form.

If, before the end of the preservation period referred to in the preceding paragraph, any litigation arises in connection with a resolution of a meeting of the Committee, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where a meeting of Committee is held by way of video conferencing, the recorded video and audio shall be treated as part of the meeting minutes and kept properly during the existence of the Bank.

Article 10 (Meeting Agenda Setting and Arrangement)

The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

The designated agenda working group responsible for the meetings of the Committee shall be the Legal Affairs Department, which is responsible for assisting in the planning of the meeting agendas, convening and notifying meetings, conducting meetings, taking meeting minutes and other related matters.

Article 11 (Explanation of Conflicts of Interests of Independent Directors and Recusal)

An independent director member of the Committee shall explain the material aspects of the interest he or she has when he or she is an interested party with respect to a given agenda item. When such a relationship is likely to prejudice the interests of the Bank, the director shall not participate in the discussion and voting and shall recuse himself or herself therefrom. Also, they may not act as another independent director's proxy to exercise voting rights.

If an independent director's spouse or a blood relative within the second degree of kinship is an interested party with regard to the agenda item in the preceding paragraph, the independent director shall be deemed to be an interested party in relation to that agenda item.

If, for the reason stated in the first paragraph, an agenda item cannot be resolved at a meeting of the Committee, it shall be reported to the Board of Directors, which shall resolve on the item.

Article 12 (Resources Provided to the Committee in the Exercise of Its Duties)

The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide necessary review or advice with respect to matters in connection with Article 6. The costs of their services shall be borne by the Bank.

Article 13 (Obligations of Committee Members)

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in this Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board.

Article 14 (Execution of Related Tasks)

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or reported at the next meeting of the Committee.

Article 15 (Others)

Any amendment to this Charter shall be implemented upon approved by the Board of Directors.