

HSBC Bank (Taiwan) Limited

Audit and Risk Committee Terms of Reference

(Approved by the Board of Directors adopted on 12 Nov 2015)

(First Amendment Approved by the Board of Directors on 25 Aug 2017)

(Second Amendment Approved by the Board of Directors on 12 Mar 2020)

(Third Amendment Approved by the Board of Directors on 24 August 2023)

Article 1 (Basis)

This HSBC Bank (Taiwan) Limited (the "Bank") Audit and Risk Committee Terms of Reference (the "Terms of Reference") is established in accordance with Article 14-4 of the Securities and Exchange Act (the "SEA"), Article 3 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies and the Bank's by-laws (including but not limited to the Articles of Incorporation, Board Meeting Procedures and Independent Directors Rules) and audit and risk related policies of HSBC Group.

Article 2 (Scope)

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

Article 3 (Objective)

The main function of the Committee is to supervise the following matters:

1. Fair presentation of the financial reports of the Bank.
2. The appointment and discharge of certificated public accountants of the Bank as well as the determination of their independence and performance.
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.

Article 4 (Composition and Term)

The Committee shall be composed of the entire number of independent directors and in no event that the Committee members shall be less than three, while one of the members shall be the chairman and at least one of whom shall have accounting or financial expertise.

The term of office of the Committee members shall follow the term of office of the independent directors, and may be re-elected for at most two additional terms, in addition to the initial term.

When the number of the Committee members falls below what prescribed in the first paragraph or in the Articles of Incorporation due to an independent director's dismissal or

resignation for any reason, a re-election shall be held at the next shareholders meeting to fill the vacancy. When all independent directors are dismissed or all offices are vacant, an interim shareholders meeting shall be convened within 60 days from the date of the occurrence to hold a re-election to fill the vacancies for the remaining term. In the event that the total outstanding shares of the Bank are wholly held by sole corporate shareholder, independent directors shall be appointed by such shareholder.

Article 5 (Powers of the Committee)

Powers conferred by SEA, the Company Act, and any other laws to be exercised by supervisors, except those set forth in Paragraph 4 of Article 14-4 in SEA, shall be exercised by the Committee.

The relevant provisions of the Company Act regarding the actions of supervisors or their role as the representative of a company as set forth in Paragraph 4 of Article 14-4 in SEA shall apply mutatis mutandis to the members of the Committee.

Article 6 (Resolution Items)

The powers of the Committee are as follows:

1. Adoption of or amendments to the internal control system of the Bank;
2. Assessment of the effectiveness of the internal control system;
3. Pursuant to Article 36-1 of the Securities and Exchange Act, adoption of or amendment to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans to others, and endorsements or guarantees for others;
4. Matters in which a director is an interested party;
5. Material asset transactions or derivatives tradings;
6. Loans of funds, endorsements, or provision of guarantees of a material nature;
7. The offering, issuance, or private placement of equity-type securities;
8. Appointment or discharge of a certified public accountant of the Bank, or their compensation;
9. Appointment or discharge of the chief financial, accounting, or internal audit officer;
10. Annual financial statements signed by the chairman, managerial officer, and chief accounting officer, and semi-annual financial statements audited by a CPA; and
11. 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 consent of one-half or more of the entire Committee members prior to submission for the board's resolution.

Other than Subparagraph 10 of Paragraph 1 above, any matter listed in Paragraph 1 without the consent of one-half or more of the entire Committee members may be adopted with the consent of two thirds or more of the entire board of directors. In such case, the resolution of the Committee should be recorded in the minutes of the board meeting.

The "entire Committee members" as used herein, shall refer to the number of Committee members actually in office at the given time and the "entire board of directors" shall refer to the number of board members actually in office at the given time.

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

Article 7 (Convening and Notice of Meetings)

The Committee shall convene at least four times per year, and may convene a meeting whenever necessary.

In convention of a Committee meeting, a notice with the meeting agenda shall be given to all members at least 7 days in advance of such meeting, provided that an interim meeting may be convened without 7-day prior notice in case of emergency. The meeting notice and agenda may be sent by email, facsimile, courier or registered mail.

A member of the Committee, nominated by the board, shall be elected among all members of the Committee as the chairman to convene and chair the Committee meetings. When the chairman is on leave or unable to convene a meeting for any reason, the chairman shall appoint another Committee member acting as chairman. If the chairman does not make such an appointment, one Committee member shall be elected among the Committee members as the chairman of that specific meeting.

The Committee may request relevant department officers, internal audit officers, certified public accountants, legal counsels, or other personnel of the Bank to attend the meeting as non-voting participants and provide pertinent and necessary information. Those attendees shall excuse themselves in discussion of and voting on that item.

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

Article 8 (Meeting Procedures)

The quorum of a Committee meeting is two.

When a Committee meeting is held, an attendance sheet shall be prepared for signature by the Committee members in attendance, and well kept for record thereafter.

The Committee members shall attend Committee meetings in person. If a member is unable to attend in person, such member may appoint another member as his/her proxy to attend the meeting. Attendance via video conference is deemed as attendance in person.

A Committee member who appoints another member as his/her proxy to attend a Committee meeting shall in each instance issue a written proxy stating the scope of authorization with respect to the items listed on the meeting agenda.

The proxy under Paragraph 3 of this Article may be accepted from one Committee member only.

Resolutions at Committee meetings shall be adopted with the approval of one-half or more of the entire Committee members. The voting result shall be announced immediately on site and documented in writing.

If, for a legitimate reason, a Committee meeting cannot be held, the agenda items shall be adopted with the consent of two thirds or more of the entire board of directors. Nevertheless, a written approval shall be obtained from Committee members with respect to the matters under Subparagraph 10 of Paragraph 1 in Article 6 of the Terms of Reference (i.e. the annual and semi-annual financial statements). Such written approval may be delivered by email, facsimile, courier or registered mails.

Article 9 (Meeting Minutes)

The meeting minutes of a Committee meeting shall be produced to faithfully record the following:

1. Session, time, and place of the meeting;
2. The name of the meeting chairman;
3. Attendance of Committee members, specifying the names and the number of members present, excused, and absent;
4. Names and titles of those attending the meeting as non-voting participants;
5. Name of the minute taker;
6. Matters reported at the meeting;
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the Committee members, experts, as well as names of the independent directors having a conflict of interests, the explanation of the major content of such conflict, the reason to excuse or not excuse, the situation of excuse in accordance with Article 11 and other persons present at the meeting; and any objections or qualified opinions expressed.
8. Any other business (ad-hoc motions): name of the initiator; the method of resolution and the result for each motion; a summary of the comments of the Committee members, experts, as well as names of the independent directors having a conflict of interests, the explanation of the major content of such conflict, the reason to excuse or not excuse, the situation of excuse in accordance with Article 11 and other persons presenting at the meeting; and any objections or qualified opinions expressed.
9. Other matters required to be recorded.

The attendance sheet constitutes part of the minutes for each Committee meeting and shall be kept permanently.

The minutes of a Committee meeting shall bear the signature or seal of both the chairman and the minute taker, and a copy of the minutes shall be distributed to each Committee

member within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately kept during the existence of the Bank.

The meeting minutes of Paragraph 1 of this Article may be produced and distributed in electronic form.

Article 9-1 (Audio Recording or Video Recording Board Meeting Processes as Evidence)

The Bank shall record on audio or video tape the entire proceedings of the Committee meeting, and preserve the recordings for at least five years, in electronic form or otherwise. If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a Committee meeting, the relevant audio or video recordings shall continue to be preserved and the preceding paragraph will not be applicable.

Where a Committee meeting is held via video conferencing, the audio and visual recording of the meeting forms a part of the meeting minutes and shall be well preserved during the existence of the Bank.

Article 10 (Agenda Arrangement)

The Committee meeting agenda shall be determined by the chairman of the Committee. Other Committee members may also raise proposals for discussion by the Committee.

Article 11 (Excuse from Conflict of Interests)

If any independent director has conflict of interests with respect to any agenda item, the independent director shall state the major content of such conflict of interest in the Committee meeting. If the said conflict will prejudice the interests of the Bank, such independent director shall not participate in discussion of or voting on that agenda item, and shall excuse himself or herself during discussion of and voting on that item, and may not act as proxy of another independent director to exercise voting rights on that matter.

Where the spouse, a blood relative within the second degree of kinship of an independent director, has interests in the matter described in the preceding paragraph, such independent director will be deemed to have a personal interest in that matter.

If, for the reason stated in the first paragraph, an agenda item cannot be resolved at a Committee meeting, the chairman of the Committee shall report it to the board of directors for the board's resolution.

Article 12 (Retention of Professionals)

The Committee may resolve to retain services of an attorney, certified public accountant, or other professionals to provide advices or conduct necessary checks with respect to matters

in connection with Article 6 herein. The expenses of such services derived therefrom shall be borne by the Bank.

Article 13 (Members Obligations)

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in the Terms of Reference. They shall be accountable to the board of directors and shall submit the proposals to the board for its resolution.

Article 14 (Revision and Execution)

The Committee shall conduct periodic reviews on the Terms of Reference and provide amendments for the board's resolution.

The implementation of resolutions by the Committee may be delegated to the chairman or other Committee members to carry out or follow up, which shall be reported to the Committee either in oral or in writing during the implementation, or, when necessary, ratified by or reported to the Committee at the following regular Committee meeting.

Matters not provided herein shall be governed by the relevant HSBC Group policies and standards to the extent not contrary to the applicable laws and regulations in Taiwan.

Article 15 (Effectiveness)

The Terms of Reference, and any amendments hereto, shall come into force after adoption by a resolution of the board of directors of the Bank.

Article 16 (Date of Adoption and Effectiveness)

The Terms of Reference are duly approved by the board at the board meeting of the Bank on November 12, 2015, effective from the commencement date of the third term of the board of the Bank.

The first amendment to this Terms of Reference is hereby approved on 25 August 2017.

The second amendment to this Terms of Reference is hereby approved on 12 March 2020.

The third amendment to this Terms of Reference is hereby approved on 24 August 2023.

滙豐(台灣)商業銀行股份有限公司

審計委員會組織規程

(民國 104 年 11 月 12 日董事會通過)

(民國 106 年 8 月 25 日為第一次修正)

(民國 109 年 3 月 12 日為第二次修正)

(民國 112 年 8 月 24 日為第三次修正)

第 1 條 (訂定理由)

滙豐(台灣)商業銀行股份有限公司(以下簡稱「本行」) 審計委員會組織規程(以下簡稱「本規程」)係依證券交易法(以下簡稱「證交法」)第十四條之四、「公開發行公司審計委員會行使職權辦法」第三條及本行內部規範(包括但不限於公司章程、董事會議事規則及獨立董事之職責範疇規則)及滙豐集團有關審計/風險委員會之相關政策訂定之。

第 2 條 (適用範圍)

本委員會之人數、任期、職權、議事規則及行使職權時本行應提供資源等事項，依本規程之規定。

第 3 條 (目的)

本委員會之運作，以下列事項之監督為主要目的：

- 一、本行財務報表之允當表達。
- 二、簽證會計師之選任、解任及獨立性與績效。
- 三、本行內部控制之有效實施。
- 四、本行遵循相關法令及規則。
- 五、本行存在或潛在風險之管控。

第 4 條 (組成及任期)

本委員會由本行全體獨立董事組成，其人數不得少於三人，其中一人為召集人，且至少一人應具備會計或財務專長。

本委員會委員之任期同獨立董事之任期，連選得連任，但最多連任二次。

獨立董事因故解任或辭任，致人數不足第一項或章程規定者，應於最近一次股東會補選之。獨立董事均解任或缺額時，本行應自事實發生之日起六十日內，召開股東臨時會補選之。本行所有已發行股票為單一法人股東持有時，獨立董事由該法人股東指派之。

第 5 條 (職權事項)

證交法、公司法及其他法律規定應由監察人行使之職權事項，除證交法第十四條之四第四項之職權事項外，由本委員會行之。

證交法第十四條之四第四項關於公司法涉及監察人之行為或為公司代表之規定，於本委員會之成員準用之。

第 6 條（本委員會決議事項）

本委員會之職權事項如下：

- 一、本行內部控制制度之訂定或修正。
- 二、內部控制制度有效性之考核。
- 三、依證交法第三十六條之一規定訂定或修正取得或處分資產、從事衍生性商品交易、資金貸與他人、為他人背書或提供保證之重大財務業務行為之處理程序。
- 四、涉及董事自身利害關係之事項。
- 五、重大之資產或衍生性商品交易。
- 六、重大之資金貸與、背書或提供保證。
- 七、募集、發行或私募具有股權性質之有價證券。
- 八、簽證會計師之委任、解任或報酬。
- 九、財務、會計或內部稽核主管之任免。
- 十、由董事長、經理人及會計主管簽名或蓋章之年度財務報告及須經會計師查核簽證之半年度財務報告。
- 十一、其他本行或主管機關規定之重大事項。

前項事項決議應經本委員會全體成員二分之一以上同意，並提董事會決議。

第一項各款事項除第十款外，如未經本委員會全體成員二分之一以上同意者，得由全體董事三分之二以上同意行之，不受前項規定之限制，並應於董事會議事錄載明本委員會之決議。

本規程所稱全體成員及全體董事，以實際在任者計算之。

本委員會之召集人對外代表本委員會。

第 7 條（會議召集與通知）

本委員會每年至少召開四次，並得視需要隨時召開會議。

本委員會之召集，應載明召集事由，於七日前通知本委員會各成員。但有緊急情事者，不在此限。通知得以電子郵件、傳真、快遞或掛號郵件之方式為之。

本委員會應由董事會提名，全體成員互推一人擔任召集人及會議主席，召集人請假或因故不能召集會議時，由其指定其他成員一人代理之；召集人未指定代理人者，由委員會之成員互推一人代理之。

本委員會得請本行相關部門經理人員、內部稽核人員、會計師、法律顧問或其他人員列席並提供相關必要之資訊。但討論及表決時應離席。

本委員會召開時，應備妥相關資料供與會之委員會成員隨時查考。

第 8 條（議事規則）

本委員會之法定出席人數為二位委員。

本委員會召開時，本行應設簽名簿供出席委員會成員簽到，並供查考。

本委員會之成員應親自出席本委員會，如不能親自出席，得委託其他成員代理出席；如以視訊參與會議者，視為親自出席。

本委員會成員委託其他成員代理出席本委員會時，應於每次出具委託書，且列舉召集事由之授權範圍。

本條第三項之代理人，以受一委員會成員之委託為限。

本委員會之決議，應有全體成員二分之一以上之同意。表決之結果，應當場報告，並作成記錄。

如有正當理由致本委員會無法召開時，應以董事會全體董事三分之二以上同意行之。但第六條第一項第十款(年度財務報告及半年度財務報告)之事項仍應由委員會成員出具同意之書面意見。該書面意見得以電子郵件、傳真、快遞或掛號郵件方式為之

第 9 條 (議事錄)

本委員會之議事，應作成議事錄，議事錄應詳實記載下列事項：

- 一、會議屆次及時間地點。
- 二、主席之姓名。
- 三、委員出席狀況，包括出席、請假及缺席者之姓名與人數。
- 四、列席者之姓名及職稱。
- 五、記錄之姓名。
- 六、報告事項。
- 七、討論事項：各議案之決議方法與結果、委員會之成員、專家及其他人員發言摘要、依第十一條規定涉及利害關係之成員姓名、利害關係重要內容之說明、其應迴避或不迴避理由、迴避情形、反對或保留意見。
- 八、臨時動議：提案人姓名、議案之決議方法與結果、委員會之成員、專家及其他人員發言摘要、依第十一條規定涉及利害關係之成員姓名、利害關係重要內容之說明、其應迴避或不迴避理由、迴避情形、反對或保留意見。
- 九、其他應記載事項。

本委員會簽到簿為議事錄之一部分，應永久保存。

議事錄須由該次會議主席及記錄人員簽名或蓋章，於會後二十日內分送委員會各成員，並應列入本行重要檔案，於本行存續期間永久妥善保存。

第一項議事錄之製作及分發，得以電子方式為之。

第 9條之1 (本委員會開會過程錄音或錄影之存證)

公司應將審計委員會之開會過程全程錄音或錄影存證，並至少保存五年，其保存得以電子方

式為之。前項保存期限未屆滿前，發生關於審計委員會相關議決事項之訴訟時，相關錄音或錄影存證資料應續予保存至訴訟終結止。

以視訊會議召開審計委員會者，其視訊影音資料為議事錄之一部分，應於公司存續期間妥善保存。

第 10 條（議程安排）

本委員會議程由召集人訂定之，其他成員亦得提供議案供本委員會討論。

第 11 條（利益迴避）

本委員會之成員對於會議事項，與其自身有利害關係者，應說明其利害關係之重要內容，如有害於本行利益之虞者，不得加入討論及表決，且於討論及表決時應予迴避，並不得代理其他獨立董事成員行使其表決權。

獨立董事之配偶、或二親等內血親，就前項會議之事項有利害關係者，視為獨立董事就該事項有自身利害關係。

因第一項規定，致委員會無法決議者，該次會議之召集人應向董事會報告，由董事會為決議。

第 12 條（專業人員之聘任）

本委員會得經決議委任律師、會計師或其他專業人員，就第六條規定有關之事項為必要之查核或提供諮詢，其所生之費用，由本行負擔之。

第 13 條（成員義務）

本委員會成員應以善良管理人之注意，忠實履行本組織規程所訂之職責，並對董事會負責，且將所提議案交由董事會決議。

第 14 條（規程修訂與工作執行）

本委員會應定期檢討組織規程相關事項，提供董事會修正。

經本委員會決議之事項，其相關執行工作，得授權召集人或本委員會其他成員辦理續行辦理，並於執行期間向本委員會為書面或口頭報告，必要時應於下一次定期會議提報本委員會追認或報告。

本組織規程未盡事宜，於不違反中華民國法令之範圍內，悉依滙豐集團之相關政策、標準及本行相關內部規範辦理。

第 15 條（施行）

本組織規程經本行董事會決議通過後施行，修正時亦同。

第 16 條 (訂定及生效日期)

本組織規程之訂立係於民國 104 年 11 月 12 日經董事會核准通過，並自第三屆董事會成立時生效。

本組織規程於民國106年8月25日為第一次修正。

本組織規程於民國109年3月12日為第二次修正。

本組織規程於民國112年8月24日為第三次修正。