

Taiwan Life Insurance Co., Ltd.

Charter of the Risk Management Committee

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Document Formulation/Amendment Record

Version of Formulation/Amendment	Date of Formulation/Amendment	Description of Document Formulation/Amendment	Author	Remark
V1.0	2007.07.05	Formulated	Risk Management Committee	
V2.0	2008.06.13		Risk Management Committee	Amended by the 3rd Interim Board meeting
V3.0	2010.06.02		Risk Management Committee	Amended by the 4th, 5th, and 6th Board meetings
V4.0	2015.10.15.		Chairman Office	Amended by the 1st Interim meeting of the 25th term Board of Directors
V5.0	2015.12.31		Chairman Office	Amended by the 4th meeting of the 25th term Board of Directors
V6.0	2016.03.28		Chairman Office	Amended by the 10th meeting of the 25th term Board of Directors
V7.0	2017.08.01	Article 3 Responsibilities and Accountabilities was amended in line with current operations.	Chairman Office Lei Cheng	Amended by the 35th meeting of the 25th term Board of Directors
V8.0	2017.12.26	Legal Compliance Department coordinated the proposal to amend regulations and systems	Legal Compliance Department	Amended by the 41th meeting of the 25th term Board of Directors
V9.0	2019.03.27	Article 3 Responsibilities and Accountabilities was amended in line with current operations.	Chairman Office Hsin-Chieh Chou	Amended by the 11th meeting of the 26th term Board of Directors



Taiwan Life Insurance Co., Ltd.

Charter of the Risk Management Committee

Established on July 5, 2007

Amended by the 3rd Interim Board meeting on June 13, 2008

Amended by the 4th, 5th, and 6th Board meetings on June 2, 2010

Amended by the 1st Interim meeting of the 25th term Board of Directors on October 15, 2015

Amended by the 4th meeting of the 25th term Board of Directors on December 31, 2015

Amended by the 10th meeting of the 25th term Board of Directors on March 28, 2016

Amended by the 35th meeting of the 25th term Board of Directors on August 1, 2017

Amended by the 41st meeting of the 25th term Board of Directors on December 26, 2017

Amended by the 11th meeting of the 26th term Board of Directors on March 27, 2019

Article 1 Purpose of the Committee and Basis

To rigorously control and supervise risks in order to protect corporate assets, achieve a sound enterprise system, and strengthen the functions of the Board, Taiwan Life Insurance Co., Ltd. (hereinafter “the Company”) has established the Risk Management Committee (hereinafter “the Committee”) and formulated its organizational charter as the basis for compliance in line with Article 29 of the Corporate Governance Best Practice Principles of the Insurance Enterprises and Article 3.1, Paragraph 1 of the Risk Management Best Practice Principles of the Insurance Enterprise.

Article 2 Membership

The Committee members are appointed by the Board and will comprise at least three members, including at least one independent director having professional background and experience in financial insurance, accounting, or finance, and the independent director shall serve as its convener. When the Committee is comprised of more than one independent directors, all members shall elect one of the independent directors to serve as its convener.

The term of service of the Committee’s members is three years and may serve another term if re-appointed. When the number of the Committee members falls below that prescribed in this Article due to the dismissal of a director for any reason, a by-election to fill the vacancy shall be held.

Article 3 Responsibilities and Accountabilities

The responsibilities and accountabilities of the Committee are as follows:

1. Review the risk related management policies, draft the risk management framework and organizational functions, execute risk management decisions from the Board of Directors, and regularly inspect the developments, establishment, and implementation performance of the Company’s overall risk management mechanisms.
2. Establish the risk assessment standard: establish proper quantitative



methods or other feasible qualitative management standards based on the major types of risks that the Company may face;

3. Review the risk appetite or risk limits on annual basis. Oversee action plans if any breach of Board-approved risk limits;
4. Review the risk management mechanism for new product or new business;
5. Review and evaluate the appropriateness of new risk management mechanism that involves the amendment of risk policies;
6. Review the risk compilation report and to regularly submit the aforesaid report to the Board of Directors, as well as to provide feedback on the implementation status of risk management and necessary suggestions for improvement to the Board of Directors on a timely basis;
7. Review risk and pressure test results that shall be reported to the competent authority or externally announced;
8. Review details of significant risk loss event and its related action plans;
9. Oversee plans of early warning mechanism and reaction plan for material risk event;
10. Review other matters required to be reported to the Board of Directors as required by the competent authority, the Board of Directors, and various risk policies.

Article 4 Meetings

The Committee will be supported by the Chairman Office, which is in charge of preparing the meeting agenda, meeting notification, meeting procedures, meeting minutes and other necessary matters.

The Committee shall meet at least quarterly, and meetings may also be held as needed.

The convener of the Committee will preside over meetings. When the convener is on leave or otherwise for any reason is unable to convene a meeting, the meeting shall be convened by another member designated by the convener, or if no such designation is made, by another member elected by and from among the members of the Committee.

Committee members shall attend meetings in person. A member may appoint a proxy to attend a Committee meeting if he/she is unable to do so in person for any cause. The member may issue a written proxy and state



therein the scope of authority with reference to the subjects to be discussed at the meeting. A member may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other member only.

Those who attend meetings via video conference shall be deemed as having attended the meetings in person.

The reasons for calling a meeting of the Committee shall be notified to each member at least seven days in advance. In emergency circumstances, however, this requirement does not apply. A minimum of two-thirds or more of the entire members of the Committee is expected. All resolutions shall be endorsed by the majority of the entire membership of the Committee and submitted to the Board for approval.

The meeting minutes shall be made and specify the following:

1. Session, time, and place of meeting
2. Name of the meeting chair
3. Attendance of members at the meeting, specifying the names and number of members present, excused, and absent
4. Names and titles of those attending the meeting as non-voting participants
5. Name of the minutes taker
6. Reporting matters
7. Discussion matters: The method of resolution and the result for each proposal; a summary of the comments made by Committee members, experts, or other persons; the opinions expressing objections or reservations at the meeting.
8. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by committee members, experts, or other persons; the opinions expressing objections or reservations at the meeting.
9. Other matters required to be recorded.

Attendance book shall be provided for the members in attendance at the meeting, and the attendance book forms a part of the minutes for each meeting and shall be well preserved during the existence of the Company. The meeting minutes shall bear the signature or seal of both the chair and the minutes taker; a copy of the minutes shall be circulated to all members of the Committee within 20 days after the meeting and well preserved as important records during the existence of the Company. The production,



distribution, and storage of the meeting minutes aforementioned may be done in electronic format.

The meeting agenda is decided by the convener of the Committee. Other members can also recommend motions for discussion in the Committee.

Article 5 Preventing Conflict of Interest

A member of the Committee shall recuse himself or herself from participating in proposals that involve personal interest where such participation is likely to jeopardize the interest of the Company.

Article 6 Consultation

The Committee may invite Company personnel to attend Committee meetings as non-voting participants to provide relevant information, or upon resolution from the Committee, the Committee may, at the cost of the Company, decide to engage a professional or consultant to provide consultation.

Article 7 Prudence from a Good Administrator

Members of the Committee should execute their responsibilities and accountabilities in the spirit of a good administrator and shall be responsible for the Board, it shall also submit its proposals to the Board for approval.

Article 8 Implementations of Resolutions

The Committee shall regularly review matters related to the organizational charter and to provide such charter to the Board of Directors for amendment.

The convener or other members of the Committee are authorized to execute any matter relating to a resolution passed at the meeting. Matters required to be executed should be followed by an oral presentation or a written report, and may be proposed to the Committee for subsequent ratification or report at the next meeting if necessary.

Article 9 Amendment of the Charter

The Charter set out herein, and any amendments hereto, shall take effect after approval by the Board of Directors.