

# **Chung Kuo Insurance Company, Limited**

## **Internal Auditing Related Information**

### **■ Internal Auditing Organization**

- A. According to the Company's Articles of Organization, the Internal Auditing Dept. shall be subordinated to the Board of Directors.
- B. The Company shall have one Chief Audit Executive in charge of the audit affairs, and shall appoint the proper full-time competent internal auditors.

### **■ Implementation of Internal Auditing Department**

- A. Preparation and execution of annual audit plan:
  - (A) The Company's annual internal audit plan shall be submitted to supervisors and independent directors for comments and then to the Board of Directors for approval. The same shall apply where the plan is amended. The annual internal audit plan and status of implementation thereof shall be reported to the competent authority via the Internet and within the time limit as required.
  - (B) It is necessary to conduct a general audit on business, finance, custody of assets, information and other management units at least once per year, and a special audit, if necessary.
- B. Self-audit on internal control system:
  - (A) Please urge various units to conduct a self-audit at least once per year, and urge a special self-audit pursuant to law, and if necessary.
  - (B) Internal Auditing Dept. of the Board of Directors shall review the self-audit reports submitted by various units with care, and record the same for future inspection.
- C. Management of follow-up on deficiencies:

It is necessary to continue following up and reviewing the deficiencies to be improved as referred to in the inspection or audit comments made by the competent authority, CPA, parent holding company and internal audit units, and in the self-audit reports submitted by various units, and stated in the Statement of Internal Control System.

■ **Submission and Declaration of Audit Report:**

- A. The internal audit report shall be completed within specific time limit and submitted to the Chairman for review and approval, and then to the supervisors and independent directors for review.
- B. The internal audit report shall be declared on the website designated by the competent authority in the format and within the time limit required by law.
- C. Chief Audit Executive shall report the status of audit to the Board of Directors and supervisors periodically.