

Internal Audit

The company's Internal Auditing Office is an independent unit established under the Board of Directors. Besides reporting the audit operations to Chairman and Audit Committee on a regular basis, the chief internal auditor shall also attend and deliver a report in the Board of Directors meeting.

The internal auditor should evaluate the company's internal control systems and report on whether these controls are designed and executed adequately, effectively and efficiently. The audit scopes include all the operations of the company and its subsidiaries.

The main work of the internal audits is performed according to an annual plan which is formulated based on the risk assessment and approved by the Board of Directors. Project audits or special reviews are conducted as needed. By reviewing the execution of the regular audits and the project audits, the management team can understand the functioning of the internal control system and the existing or potential weaknesses in the system.

Internal Auditing Office reviews the results of internal control self-assessment performed by each department and subsidiary to ensure the quality of the executions. In addition, Internal Auditing Office consolidates the assessment results for the Board of Directors to evaluate the overall efficiency on the existing internal control systems before issuing the Internal Control System Statement.