

**Audit Committee Charter**  
**of**  
**China Life Insurance Co., Ltd.**

**Serial number : Accounting-009**

**Constitutor : Accounting Department**

**Version : V6**

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## Article 1 (Basis and Purpose)

To strengthen corporate governance of the Company and professional functions of the Board of Directors, the Company formulates the Audit Committee Charter ("the Charter") pursuant to Article 14-4 of Securities and Exchange Act and 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 Company when the Audit Committee ("the Committee") exercises its powers shall be handled in accordance with this Charter.

## Article 3 (The Functions of the Committee)

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

1. Fair presentation of the financial reports of the Company.
2. The hiring, dismissal, independence, and performance of certificated public accountants of the Company.
3. The effective implementation of the internal control system of the Company.
4. Compliance with relevant laws and regulations by the Company.
5. Management of the existing or potential risks of the Company.

## Article 4 (Composition of the Committee)

The Committee shall be composed of the entire number of 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 3-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 or there is a vacancy of Committee members, a special shareholders meeting shall be called within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.

## Article 5 (The Power of the Committee and independent directors)

Powers conferred by the Securities and Exchange Act, the Company Act, and any other law to be exercised by supervisors, excepting those set forth in Article 14-4, paragraph 4 of the Securities and Exchange Act, shall be exercised by the Committee.

The provisions of Article 14-4, paragraph 4 of the Securities and Exchange Act, in regard to the Company Act as concerns the actions of supervisors or their role as representatives of a company, apply mutatis mutandis to the independent director members of the Committee.

## Article 6 (Scope of Authorities)

The powers of the Committee are as follows:

1. The adoption or amendments of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act and Paragraph 1 in Article 148-3 of the Insurance Act.
2. Assessment of the effectiveness of the internal control system.
3. To adopt or amend the procedures governing the acquisition or disposal of assets,

derivative trading, investment in public offering securities not listed at TWSE or TPEX and securities offered through private placement, and loans or other transactions other than loans between the Company and interest parties pursuant to Article 36-1 of the Securities and Exchange Act, Paragraph 8 in Article 146, Article 146-1, Article 146-3, and Article 146-7 of the Insurance Act.

4. A matter bearing on the personal interest of a director.
5. A material asset or derivatives transaction.
6. The offering, issuance, or private placement of any equity-type securities.
7. The hiring or dismissal of an attesting CPA and the certified actuarial professional, or the compensation given thereto.
8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. Annual financial reports and Semi-annual financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairman, manager, and accounting officer.
10. Any other material matter required by the Company or the Competent Authority.

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

Any matter in the paragraph 1, with the exception of subparagraph 9, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire Board of Directors.

The term "a material asset or derivatives transaction" as mentioned in subparagraph 5 of the paragraph 1 refers to the transactions of assets or derivative commodities that should be approved by the Board of Directors in accordance with the Procedures Governing the Acquisition or Disposal of Assets.

"The entire membership or entire Board of Directors" as used herein, shall be counted as the number of members actually in office at the given time.

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

#### Article 7 ( Convening the Committee Meeting )

The Committee shall convene at least once quarterly, and may call a meeting at its discretion whenever necessary.

In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each independent director member at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice. With the consent of the addressee, the meeting notice may be given in electronic form.

A member of the Committee shall be elected as the convener and meeting chair by and from the entire membership of the Committee. 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 convener.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of the Company 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 ( The Methods of Attendance and Resolutions )

When a meeting of the Committee is held, an attendance book shall be made available for

signing-in by the independent director members in attendance, and thereafter made available for reference.

Independent director members shall attend meetings of the Committee in person; if an independent director member is unable to attend in person, the independent director member may appoint another independent director member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.

A member of the Committee that appoints another independent director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire Board of Directors. Nevertheless, a written opinion indicating approval or disapproval shall be obtained from each independent director member with respect to the matters under Article 6, paragraph 1, subparagraph 9.

The proxy under paragraph 2 may accept a proxy from one person only.

#### Article 9 (Recusal System of the Committee)

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 Company, the director shall not attend the discussion and voting and shall recuse himself or herself therefrom. Also, they shall not exercise the voting right for and on behalf of another independent director member. If, for the reason stated in the preceding 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 10 (The Meeting minutes)

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the independent director members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The 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 independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of Article 9, explanation of the material aspects of the interest the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has rescued; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of Article 9, explanation of the material aspects of the interest the director has, the reason why the director should

or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.

9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be appropriately preserved during the existence of the Company.

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each independent director members of the Committee within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company. The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 10-1 ( Recording of Evidence )

Any and all meetings of the Committee shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five (5) years. The files may be stored in the electronic form.

If any litigation relating to a resolution of the meeting of the Committee commences before the expiry of the period in which the evidence shall be kept in accordance with the preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of the litigation.

For a meeting of the Committee convened via videoconferencing, the audio-recorded and videotaped data shall be part of the minutes of the meeting and shall be properly kept during the existence of the Company.

Article 11 ( Arrangement of the Agenda )

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

The Accounting Department is the designated unit responsible for the meeting administrative affairs, including drafting meeting agenda, issuing meeting notices, arrange the procedure, taking meeting minutes and other matters

Article 12 ( Entrust external experts )

The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice with respect to matters in connection with Article 3 and Article 6. The costs of their services shall be borne by the Company.

Article 13 ( Obligations of the 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 ( Periodic review of the Charter )

The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the Board of Directors.

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 a report made at the next meeting of the Committee.

#### Article 15 ( Performance Appraisal of the Committee )

The performance review of the Committees will be conducted once a year. The evaluation items should include but are not limited to the followings:

1. Participation in the operation of the Company;
2. Improvement of quality of decisions made by the Audit Committee;
3. Composition and structure of the Audit Committee;
4. Election of the Audit Committee members;
5. Internal control.

#### Article 16 ( Implementation )

This Charter, and any amendments hereto, shall come into in force after adoption by a resolution of the Board of Directors.