

## ▪ Risk management organization of Land Bank

Land Bank defines the risk management responsibilities of each unit in accordance with three lines of defense. The Board of Directors is the highest decision-making unit for risk management in Land Bank. The Chairperson concurrently serves as the convener of the Risk Management Committee, and the President concurrently as the deputy convener. The committee members are concurrently served by the Executive Vice-President (EVP), EVP & Chief Compliance Officer, and heads of relevant departments designated by the convener. Land Bank's risk management system adopts active monitoring and preventive management measures. The Risk Management Committee meets once every two months and may convene when necessary to review bank-wide risk control reports and risk management-related motions. If any risk exceeding the risk appetite or limit is detected during regular and dynamic risk monitoring operations, it will be reported immediately and appropriate measures will be taken by the business units involved to control the risk within the tolerable range.

## ▪ Internal audit and Internal control system

Land Bank complies with laws and regulations. It has established an internal control system and issued a statement of internal control system to provide reasonable assurance for operational efficiency and effectiveness, reporting reliability and legal compliance. Land Bank's internal audit unit reports to the Board of Directors, and is headed by the General Auditor, who is responsible for overseeing the audit activities. It reports to the Board and the Audit Committee at least every six months on its auditing activities.

### + Annual Results of Internal Audit

Internal audit items	Number of audits	2023 internal audit results
Routine business audits	Plan to complete 119 audits for the year.	Actual completion of 119 audits, i.e., a 100% execution rate.
Special audits	Plan to complete 212 audits for the year (including 141 audits of the head office and the branches, 38 audits of securities and futures, 12 discretionary audits, and 21 non-routine project audits).	Actual completion of 223 audits, i.e., a 105.19% execution rate.
Supervision of self-audits	Each unit conducted 348 general self-audits and 1,322 project self-audits, totaling 1,670 audits.	The number of audits meets the requirements prescribed by the competent authorities.