

Cathay Life Insurance Co., Ltd. Guidelines Governing Responsibilities of Independent Directors

Adopted on March 19, 2008

Amended on April 29, 2011

Amended on November 13, 2019

Amended on August 20, 2020

Responsible Unit: Legal

Department

Article 1 (Purpose and Basis)

To ensure good corporate governance and establish a sound independent director system to enable independent directors to exercise their functions toward the Board of Directors and the Company's business management, the Guidelines are adopted pursuant to Paragraph 1 of Article 27 of the Corporate Governance Best-Practice Principles for Insurance Enterprises.

Article 2 (Scope of application for these Rules)

Except as otherwise provided by law and regulation or by the articles of incorporation, matters concerning the duties of independent directors of the Company shall be as set out in these Rules.

Article 3 (Resolution by Board of Directors)

Unless otherwise approved by the competent authority, the following motions shall be submitted to the Board of Directors for approval by resolution. When an independent director has a dissenting opinion or qualified opinion, it shall be noted in the minutes of the Board of Directors' meeting:

1. Adoption of or amendments to the internal control system of the Company pursuant to Article 148-3 Section 3 of the Insurance Act.
2. Adoption of or amendments to the procedures for handling material financial or business activities, such as derivatives trading, invest in publicly issued securities not listed on an exchange or OTC market and privately placed securities, or loan transactions or other transactions with an interested party pursuant to Article 146 Section 8, Article 146-1, Article 146-3 and Article 146-7 of the Insurance Act.
3. Matters in which a director or a supervisor is an interested party.

4. Asset transactions or derivatives trading of a material nature.
5. Loans of funds, endorsements, or provision of guarantees of a material nature.
6. The offering, issuance, or private placement of equity-type securities.
7. The structure and system of directors' emoluments.
8. The hiring, dismissal or compensation of a certified public accountant and appointed actuaries.
9. Appointment or discharge of a financial, accounting, risk management, compliance or internal auditing officer;
10. The performance appraisal and emoluments of the manager, salesperson and insurance broker and agent with business contact.
11. Any other material matter so required by the competent authority.

Article 4 (Liability insurance)

The Company or its parent company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship for all independent directors.

The Company or its parent company shall report the insured amount, coverage, premium rate, and other important contents of the directors liability insurance it has obtained or renewed for directors, at the most recent board meeting.

Article 5 (Remuneration)

The remuneration to the Company's independent directors shall be set forth in the Articles of Incorporation or upon resolution by a shareholders' meeting. Different but reasonable remuneration from that of the general directors and supervisors may be set forth for the independent directors.

Article 6 (Continuing education)

According to the TWSE or TPEX rules, the Company's independent directors are advised to participate in training courses on insurance, finance, risk management, business, commerce, accounting, law, corporate social responsibility, internal control system or financial reporting obligation offered by institutions designated in the Rules Governing Implementation of Continuing

Education for Directors and Supervisors of TWSE/TPEX Listed Companies, which cover subjects relating to corporate governance upon becoming independent directors and throughout their terms of occupancy.

Article 7 (Performance of Duty)

The Company or other Board members shall not impede, reject or evade the actions of the independent directors in the performance of their duties. As they deem necessary to performing those duties, independent directors may request the board to appoint relevant personnel or may at their own discretion hire professionals for assistance. The related expenses will be borne by the Company.

Any expenses necessary to the hiring of professionals or the exercise of powers by the independent directors under the preceding paragraph shall be borne by the Company.

Article 8 (Other)

The Guidelines shall be implemented after adoption as resolved by the Board of Directors. The same shall apply if the Guidelines are amended or abolished.