Diversity and independence of Board of Directors

① Diversity of Board of Directors

To strengthen corporate governance and facilitate the sound development of the composition and structure of the Board of Directors, Article 21 of the Company's "Corporate Governance Best Practice Principles" provides that the diversity principle shall be considered for the composition of the Board of Directors and an appropriate diversity policy shall be formulated as per its own operations, operating model, and development needs. Board members should generally possess the knowledge, skills, and literacy necessary to perform their duties. Article 25 further stipulates that independent directors must possess the professional knowledge and capabilities necessary to perform their duties and should consider the Company's business and industry development needs, as well as the diverse aspects outlined in Article 21 of the Principles.

Furthermore, under the Company's "Procedures for the Election of Directors and Supervisors," the election of directors should consider the overall composition of the Board. The composition of the Board of Directors should be diversified. To establish an appropriate diversity policy based on its own operations, business model, and development needs, the policy should include but not be limited to standards in the following two major dimensions: 1. Basic conditions and values: gender, age, nationality, culture, etc., where the ratio of female directors should ideally reach one-third of the Board seats. II. Professional knowledge and industry experience: Professional knowledge/capabilities (such as business, finance/accounting, law, finance, actuarial/mathematics, foreign investment, and risk management) and industry experience (such as banking, insurance, securities, asset management, construction/real estate, medical/health management). Board members should generally possess the knowledge, skills, and literacy necessary to perform their duties, and collectively should possess the following capabilities: 1. Operational judgment. 2. Accounting and financial analysis ability. 3. Operational ability 4. Risk management knowledge and ability. 5. Crisis management ability. 6. Professional knowledge of finance and insurance. 7. An international market perspective. 8. Leadership ability. 9. Decision-making ability. A review of the Company's current Board of Directors, consisting of eleven members, including eight directors and three independent directors, indicates that the Board as a whole possesses professional knowledge and expertise in business management, finance, accounting, law, financial services, actuarial science, international investment, and risk management. Regarding the industry experience of the Board members: five directors possess banking experience; seven directors possess securities experience; five directors possess asset management experience; two directors possess construction experience; and two directors possess medical experience. The proportions are as follows:

A. Directors concurrently serving as employees account for 27% of the Board, independent directors account for 27%, and the percentage of female directors is 18% (Independent Director Li-Ling Wang and Independent Director Pei-Pei Yu).
B. All three independent directors have served terms between 3 and 9 years.

C. The average age of Board members is 60. There is one director aged 71–80, six directors aged 61–70, two directors aged 51–60, and two directors aged 41–50.
D. To implement the diversity policy, the Company has submitted recommendations regarding gender diversity, professional field variety, and experience depth to the parent company, Cathay Financial Holdings, to serve as a reference for the designation of Board seats and candidates.

②Independence of Board of Directors

The eleven directors in office include three independent directors, and independent directors account for 27% of all directors. All the Company's independent directors are in compliance with the requirements for independence under the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The 11 directors are not spouses or relatives within the second degree of kinship of each other. Therefore, the Company complies with the rule that more than half of the directors shall not be spouses or relatives within the second degree of kinship of other directors under Paragraph 3, Article 26-3 of the "Securities and Exchange Act". All the Company's four supervisors are not spouses or relatives within the second degree of kinship of each other and all directors. Therefore, the Company complies with the rule that at least one supervisor shall not be a spouse or a relative within the second degree of kinship of another supervisor or director under Paragraph 4, Article 26-3 of the "Securities and Exchange Act".

Availability and enforcement of the Company's board diversity policy are explained in the following chart

March 31, 2026

Core elements of diversity policy / Name(s) of Directors	Basic composition										Industrial experience							Professional knowledge/expertise						
	Nationality/place of registration	Gender	As the Company's	Age				Tenure of Independent Director			Bank	Insurance	Securities	Asset management	Construction	Medical care	Health management	Commerce	Financial affairs/accounting	Law	Finance	Actuary/ mathematics	Foreign investments	Risk management
				41 to 50	51 to 60	61 to 70	71 to 80	Less than 3 years	3 to 9 years	Over 9 years														
Ming-Ho Hsiung	R.O.C	M					✓					✓				✓		✓	✓		✓	✓	✓	✓
Chang-Ken Lee	R.O.C	M				✓					✓	✓	✓	✓				✓	✓		✓		✓	✓
Tzung-Han Tsai	R.O.C	M		✓							✓	✓	✓	✓				✓		✓	✓		✓	
Chung-Yan Tsai	R.O.C	M		✓								✓			✓		✓	✓			✓			
Shan-Chi Liu	R.O.C	M	✓			✓						✓	✓			✓		✓	✓		✓		✓	
Chao-Ting Lin	R.O.C	M	✓		✓							✓						✓	✓			✓		✓
Yi-Tsung Wang	R.O.C	M	✓		✓							✓	✓					✓					✓	
John Chung-Chang Chu	Canada	M				✓						✓			✓			✓	✓				✓	
Li-Ling Wang	R.O.C	F				✓			✓		✓	✓	✓	✓				✓	✓		✓			✓
Tang-Chieh Wu	R.O.C	M				✓			✓		✓	✓	✓	✓				✓	✓		✓		✓	
Pei-Pei Yu	R.O.C	F				✓			✓		✓		✓	✓				✓	✓		✓		✓	✓

Note: Until the end of 2025, Independent Director Li-Ling Wang and Independent Director Tang-Chieh Wu have served for 6.5 years, and Independent Director Pei-Pei Yu has served for 3.5 years