

Board Membership Diversification Policy and Implementation Results

(As of April 16, 2024)

The selection of Board members of the Bank follows the provisions of the Bank's Articles of Incorporation, using a "nomination system." The selection criteria are not limited by gender, age, race, or nationality. It is preferable to include elite talents with expertise and rich experience in various fields needed for the diversified development of the Bank. Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. To achieve the ideal goals of corporate governance, the Board as a whole should have capabilities including operational judgment and management skills, accounting and financial skills, risk management capabilities, crisis handling abilities, financial expertise, industry knowledge, international market perspectives, investment and merger abilities, leadership and decision-making skills, corporate sustainability, law, information technology, and cybersecurity knowledge.

The ninth Board of Directors of the Bank emphasizes diversity, composed of elites from the financial, industrial, and academic fields. Among them, 10 directors hold master's degrees, and 2 directors hold bachelor's degrees, covering professional fields such as economics, business, management, accounting, law, and information technology. The Board as a whole has capabilities in operational judgment, management, and leadership decision-making, represented by directors Tina Y. Lo, Kenneth C.M. Lo, Chih-Ming Chien, and George C.J. Cheng. Directors with expertise in finance and accounting include Hank H.K. Lin, Mark J.C. Lee, Fu-Hsiung Hu, and Tina W.N. Chiang. Those skilled in risk management and crisis handling include Kenneth C.M. Lo, Chih-Ming Chien, and Bill K.C. Lin. Directors with extensive international market perspectives include Tina Y. Lo, George C.J. Cheng, and Grace W.S. Tang. Experts in information technology and cybersecurity include Fu-Hsiung Hu, Hank H.K. Lin, Tina W.N. Chiang, and Alex J.J. Chen. Directors with legal knowledge include Fu-Hsiung Hu and Jennifer C.F. Wang. All Board members possess the necessary knowledge, skills, and qualities to perform their duties and have extensive expertise in finance, accounting, business, law, and industry. Among the current 12 directors, 4 are independent directors, accounting for 33%. The tenure of the 4 independent directors is less than 9 years. The age distribution of directors is: 5 under 60 years old, 6 between 61 and 70 years old, and 1 over 71 years old, fully integrating rich experience and innovative ideas. Furthermore, the Bank also emphasizes gender equality in the composition of the Board, with a target of 1/3 female directors. Currently, there are 4 female directors, achieving the target. Additionally, 1 director is an employee (including affiliates), accounting for 8.3%.

Moreover, on December 23, 2020, the eighth Board of Directors passed the "Board Member Diversity Policy, Independence Standards, and Training and Succession Plan Guidelines," renamed on August 21, 2023, to the "Board of Directors Diversity Policy, Standards for Independence, and Refreshment Policy," with some articles amended on March 13, 2024. These measures aim to continuously enhance corporate governance and sustainable development through the implementation of board diversity, improved independence and decision-making capabilities of the board, and strengthened board functions.

Board Diversity Professional Capabilities:

Diversification Ability Name of the directors	Operational Judgment, Management and Administration Abilities	Accounting and Financial Abilities	Risk Management Abilities	Crisis Management Abilities	Financial and Industry Knowledge	International Market Perspective, Investment and M&A Abilities	Leadership and Decision-Making Abilities	Corporate Sustainability Knowledge	Legal Knowledge	Information Technology and Cyber Security Abilities
Lo, Tina Y.	✓	✓	✓	✓	✓	✓	✓	✓		
Lo, Kenneth C.M.	✓	✓	✓	✓	✓	✓	✓	✓		
Lin, Bill K.C.	✓	✓	✓	✓	✓		✓	✓		✓
Cheng, George C.J.	✓	✓	✓	✓	✓	✓	✓	✓		
Lee, Mark J.C.	✓	✓	✓	✓	✓		✓	✓	✓	
Chien, Chih-Ming	✓	✓	✓	✓	✓		✓	✓	✓	
Chen, Alex J.J.	✓	✓	✓	✓	✓		✓		✓	✓
Tang, Grace W.S.	✓	✓	✓	✓	✓	✓	✓	✓		
Hu, Fu- Hsiung	✓	✓	✓		✓	✓	✓	✓	✓	✓
Lin, Hank H.K.	✓	✓	✓	✓	✓	✓				✓
Chiang, Tina W.N.	✓	✓	✓	✓	✓	✓	✓	✓		✓
Wang, Jennifer C.F.			✓	✓		✓	✓	✓	✓	