

Board Membership Diversification Policy and Implementation Results

The Bank, abiding by the Articles of Incorporation, adopts the candidate nomination system for elections of directors. The Bank's selection of board members is not dictated by gender, age, race, or nationality. In accordance with Article 35 of the Bank's Corporate Governance Principles, the Board of Directors shall take diversity into account while selecting members and consider the capacity for business judgment, accounting and financial analysis, business administration, risk management, crisis management, leadership, decision-making, industry knowledge, and a sound perspective of the global market. Meanwhile, the Bank shall lay down an appropriate set of guidelines on diversity based on the Bank's operations, business mode, and developmental needs.

Reflecting its emphasis on diversity, the Bank's 8th Board of Directors comprises elites from the financial, industrial and academic communities. With 11 directors holding master's degrees, they span such disciplines as economics, commerce, business administration, accounting, insurance, public administration, and languages. While all of them command the knowledge, skills, and aptitude required to perform their duties, they also have developed their respective professional competences: banking, finance, commerce, law, and industry.

Of the Bank's 15 incumbent directors, three are independent directors (accounting for 20%). All three independent directors recorded not more than 9 years of service. In terms of age distribution, five directors are aged under 60, seven between 61-70, and three over 71, attesting to a thorough mix of experience and innovation. The Bank also values gender equality in its Board of Directors and aims at 25% or more of female directors. With another female director joining the Bank's Board of Directors of the 8th term, currently there are four female directors, or 27%. Separately, there are two directors (13%) who are employees (including employees of the Bank's affiliates) in a concurrent capacity.

The diversity of members of this Board of Directors is summarized as follows:

Jun 19, 2020

Core Measures of Diversity Name	Basic Composition									Industry Experience			
	Nationality	Gender	Serving concurrently as employee of the Bank	Age			Years of service as independent director			Banking	Securities	Insurance	Asset Management
				< 60	61-70	> 71	< 3	3-9	> 9				
Lo, Tina Y.	R.O.C	Female		✓						✓	✓	✓	✓
Lo, Kenneth C.M.	R.O.C	Male				✓				✓	✓	✓	✓
Chang, Nelson An-Ping	R.O.C	Male			✓					✓	✓		✓
Yeh, Roy J.Y.	R.O.C	Male			✓					✓	✓		✓
Hu, Fu-Hsiung	R.O.C	Male			✓		✓			✓	✓		✓
Lin, Hong-Guang	R.O.C	Male		✓			✓						
Liu, Richard R.C.	R.O.C	Male				✓		✓		✓			✓
Chen, Shih-Tze	R.O.C	Female				✓				✓			
Cheng, George C.J.	R.O.C	Male			✓						✓		✓
Lee, Mark J.C.	R.O.C	Male			✓					✓	✓		✓
Lee, Elton F.Y.	R.O.C	Male	✓	✓						✓			
Lin, Gordon W.C.	R.O.C	Male			✓					✓	✓		✓
Lo, Nina Y.C.	R.O.C	Female	✓	✓						✓			✓
Lee, Yunny Y.	R.O.C	Female		✓						✓			
Lin, Bill K.C.	R.O.C	Male		✓						✓			

Core Measures of Diversity Name	Diversification										
	Capacity for business judgment	Capacity for accounting and financial analysis	Capacity for business administration	Capacity for crisis management	Industry knowledge	A sound perspective of the global market	Capacity for leadership	Capacity for decision-making	Legal Knowledge	IT	Risk Management
Lo, Tina Y.	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Lo, Kenneth C.M.	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Chang, Nelson An-Ping	✓		✓	✓		✓	✓	✓		✓	✓
Yeh, Roy J.Y.	✓	✓	✓	✓	✓	✓	✓	✓			✓
Hu, Fu-Hsiung	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lin, Hong-Guang	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liu, Richard R.C.	✓		✓	✓	✓	✓			✓		✓
Chen, Shih-Tze	✓	✓			✓	✓	✓	✓			
Cheng, George C.J.	✓		✓	✓	✓	✓	✓				✓
Lee, Mark J.C.	✓	✓	✓	✓			✓	✓		✓	✓
Lee, Elton F.Y.	✓	✓	✓	✓	✓	✓	✓	✓			✓
Lin, Gordon W.C.	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Lo, Nina Y.C.	✓			✓	✓	✓	✓	✓			✓
Lee, Yunny Y.	✓	✓	✓	✓	✓	✓	✓	✓			
Lin, Bill K.C.	✓	✓	✓	✓	✓	✓		✓		✓	