

## 5.1 Corporate Governance

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The Bank actively responds to the Financial Supervisory Commission's "Sustainable Development Action Plans for TWSE- and TPEX-Listed Companies," and planned to focus on four pillars: governance, transparency, digitalization, and innovation. We also take into account international corporate governance trends, and we continuously improve our corporate governance practices to ensure sustainable development.

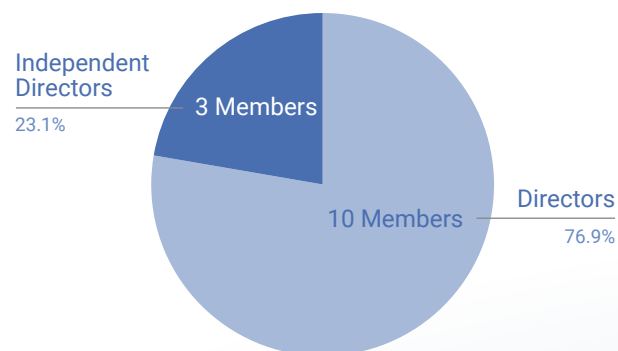
Within the corporate governance framework, our Board of Directors plays a crucial role in supervision and leadership, providing strategic guidance, and overseeing the implementation of our strategies and business operations. The Board of Directors has established functional committees: the Audit Committee and the Sustainable Development Committee. These Committees support the Board of Directors to enhance corporate governance effectiveness and lead the Bank in promoting continuous corporate sustainability.

To ensure professionalism and gender diversity among our Board of Directors, "Cathay United Bank Corporate Governance Guidelines" include relevant regulations. The composition of the Board of Directors shall take various needs into consideration, such as the Bank's business structure, business development direction, and future trend. The guidelines advised that the Bank evaluates a wide spectrum of aspects, e.g., fundamental criteria (e.g., gender, age, nationality), professional experience (e.g., financial holdings, banking, insurance, securities, industry, and information/technology), professional knowledge and skills (e.g., commerce, finance, accounting, law, marketing, FinTech, overseas market/merger and acquisition, and risk management).

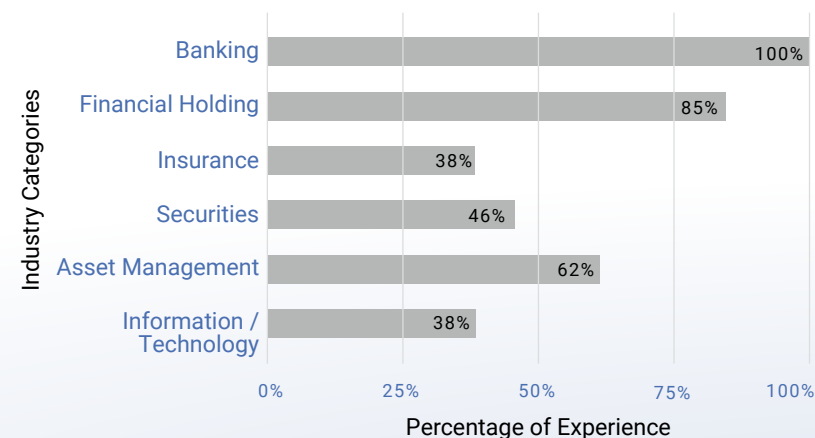
Our Board members collectively possess the knowledge, skills, qualities, and abilities necessary for executing business operations. This contributes to our group's efforts in promoting strategies for "globalization," "digitalization," and "financial innovation and application."

The Bank will continue to update our diversity policies in accordance with the operations of the Board of Directors, business structure, and development needs. We aim to strengthen the breadth of professional experience and knowledge skills, ensuring that Board members can effectively support the Bank's strategic objectives and drive sustainable development. We aspire to better adapt to the rapidly changing market environment and create greater value for shareholders, customers, and society. In 2023, our directors completed a total of 212.5 hours of continuing education, with an average of 16.35 hours of continuing education per director.

Composition of the Board of Directors



Industry Experience of the Board of Directors



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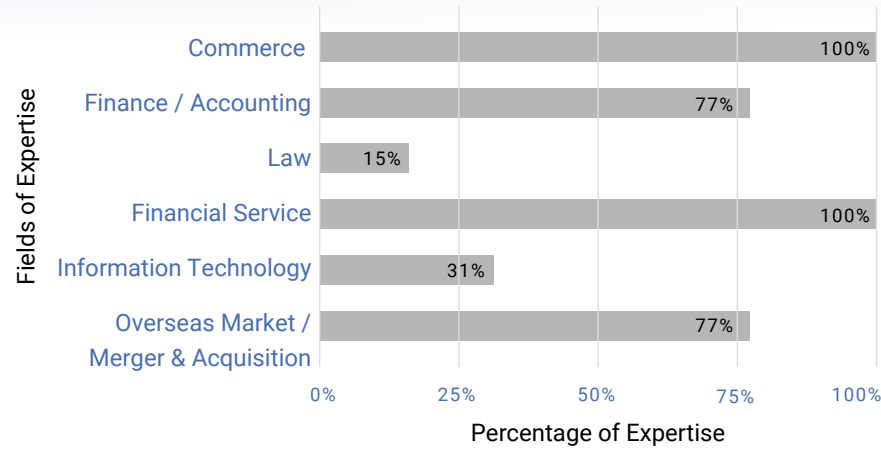
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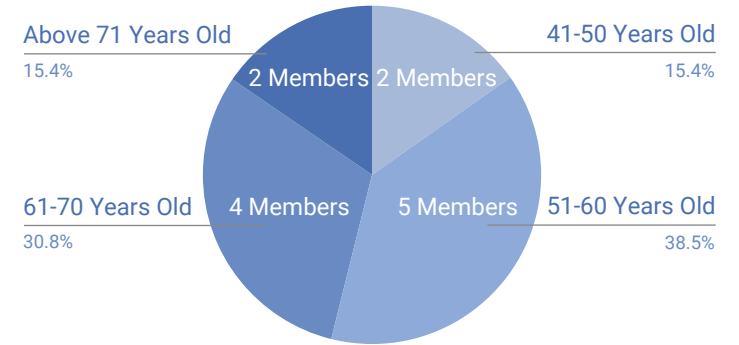
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**Expertise of the Board of Directors**



**Age Distribution of the Board of Directors**



The Average Age of the Directors: 61

**5.1.1 The Operation of the Board of Directors**

The Board of Directors serves as the highest decision-making body of the Bank. In 2023, six Board meetings were convened, with an attendance rate of 97.8%. On average, the directors have served for 8.2 years, and the three independent directors have served an average of 6.2 years. In promoting corporate governance and sustainable development, the Bank actively established a system of functional committees under the Board of Directors, which involves the independent directors' participation. This system aims to enhance the quality of the Board of Directors' decision-making, strengthens the foresight, objectivity, and comprehensiveness of the Board of Directors' decisions and effectively address challenges related to economic, environmental, and social issues. For details on the implementation of the Board of Directors' diversity policy, please refer to pages 35-36 of the Traditional Chinese edition annual report. For information on corporate governance operations, please refer to pages 74-85 of our Traditional Chinese edition [annual report](#).

To avoid conflicts of interest, all directors adhere to high standards of self-discipline. "Cathay United Bank Rules of Procedure for Board Meetings" clearly states that, "If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall explain the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that item, shall furthermore recuse him or herself during discussion and voting on that item, and may not act as another director's proxy to exercise voting rights on that matter." For details on directors' recusal from conflicted matters in 2023, please refer to pages 58-59, and 70 of the Traditional Chinese edition [annual report](#).

**Organization Chart**

