

**Websites for search:**

**<http://mops.twse.com.tw>**

**<http://www.cathayholdings.com>**

**Stock code: 2882**



**Cathay Financial Holding Co., Ltd.**

# **2024 Annual Report**

**Dated: March 30, 2025**

**I. Contact Information of Spokesperson:**

	Spokesperson	Deputy Spokesperson
Name/Title	Grace Chen / Chief Financial Officer	Hsiang-Hsin Tsai / Senior Executive Vice President
Telephone	(02) 2708-7698 Ext.7730	(02) 2708-7698 Ext.7690
Email	service@cathayholdings.com.tw	

**II. Contact information of Cathay Financial Holdings and its Subsidiaries:**

Company	Address	
	Websites	Telephone
Cathay Financial Holding Co., Ltd.	No.296, Sec. 4, Ren'ai Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	
	www.cathayholdings.com	(02) 2708-7698
Cathay Life Insurance Co., Ltd.	No.296, Sec. 4, Ren'ai Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	
	www.cathayholdings.com/life	(02) 2755-1399
Cathay United Bank Co., Ltd.	No.7, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)	
	www.cathayholdings.com/bank	(02) 8722-6666
Cathay Century Insurance Co., Ltd.	No.296, Sec. 4, Ren'ai Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	
	www.cathayholdings.com/insurance	(02) 2755-1299
Cathay Securities Corporation	No. 333 and 335, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	
	www.cathayholdings.com/securities	(02) 2326-9888
Cathay Securities Investment Trust Co., Ltd.	No. 39, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	
	www.cathaysite.com.tw	(02) 2700-8399
Cathay Venture Inc.	No.68, Sec. 5, Zhongxiao E. Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)	
	www.cathayholdings.com/holdings/cathayventure	(02) 7711-9889

**III. Name of Institution for stock transfer, Address, Website and Telephone:**

Institution for stock transfer	Cathay Securities Corporation Stock Transfer Agency Department	Telephone	(02) 7757- 1288
Websites	www.cathaysec.com.tw	Address	2F., No. 39, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)

**IV. Name of Institution for credit rating, Address, Website and Telephone:**

Institution for credit rating	Address	Telephone
Taiwan Ratings	2F., No. 167, Dunhua N. Rd., Songshan Dist., Taipei City 105, Taiwan (R.O.C.)	(02)2175-6800
Moody's Asia-Pacific Ltd.	24F, One Pacific Place 88 Queensway Admiralty, Hong Kong	852-3758-1300
Standard & Poor's	Level 3 and 4, Three Exchange Square, 8 Connaught Place, Central, Hong Kong	852-2533-3500

**V. Contact Information of independent accountants:**

Names of Auditors	Shu-Wan Lin, Shiuh-Ran Cheng	Tel	(02) 2725-9988
CPA Office	Deloitte & Touche	Address	20F., No.100, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)
Websites	www2.deloitte.com/tw/tc.html		

**VI. Overseas Listings and Access to the Listing Information:**

Listing Bourse	Luxembourg Stock Exchange
Information Access	Bloomberg

# Content

<b>One. Letter to Shareholders .....</b>	<b>1</b>
I. Business Report for the year 2024 .....	1
II. 2025 Business Plan .....	4
III. Future strategies, impacts of the competitive environment, regulatory environment, and the overall business environment .....	5
IV. Latest Credit Ratings .....	6
<b>Two. Corporate Governance Report .....</b>	<b>7</b>
I. Directors, Supervisors, President, Executive Vice Presidents, Senior Vice Presidents and Top Managers from Each Division and Subsidiary .....	7
II. Remuneration Paid to directors (including independent directors), presidents, executive vice presidents and employees in the latest fiscal year .....	31
III. Implementation of Corporate Governance .....	41
IV. Professional Fees to CPAs (Table 3) .....	167
V. Information of Independent Auditor replacement (Table 3-1) .....	168
VI. The facts about the Company chairman, president, managerial officer in charge of financial or accounting affairs having served with the CPA Office or the affiliation thereof over the past year .....	168
VII. Facts about the director or supervisor, managerial office, or a same person or a same affiliated enterprise having held the equity of a same financial holding corporation with voting power exceeding the specified ratio which should be declared under Article 11 of the Managerial Regulations: The facts of equity transfer and change in equity pledge (Table 4) .....	169
VIII. Information of Related Parties of the top ten shareholders (Table 4-1) .....	170
IX. Invested businesses jointly held between the financial holding company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the financial holding company; disclose shareholding in aggregate of the above parties (Table 5) ..	171
<b>Three. Capital Overview .....</b>	<b>172</b>
I. Capital and Shares .....	172
II. Issuance of Corporate Bonds .....	176
III. Issuance of Preferred Shares (Table 13) .....	182
IV. Issuance of Global Depositary Receipts (Table 14) .....	184
V. Issuance of Employee Stock Option Plan .....	185
VI. Issuance of New Restricted Employee Shares .....	185
VII. Merger and Acquisitions or Transfers of other Financial Institutions .....	185
VIII. Implementation of the Capital Utilization Plans .....	185
<b>Four. Overview of Operations .....</b>	<b>186</b>
I. The content of business .....	186
II. Cross-business & Cross-selling Benefits .....	218
III. Industry and Market Overview .....	218
IV. Employee Profile .....	229
V. Corporate responsibility and moral conduct .....	242
VI. No. of full-time non-managerial employees, mean and median salary of full-time non-managerial employee, and differences from the previous year .....	257
VII. Information System .....	258
VIII. Information Security Management .....	267
IX. Industrial Relations .....	269
X. Important contracts and commitments .....	272
<b>Five. Review and analysis of financial status and financial performance and risk management .....</b>	<b>278</b>
I. Analysis of Financial Status .....	278
II. Analysis of Financial Performance .....	279
III. Cash flows .....	280
IV. Major capital expenditures in the last year .....	280
V. The investment Strategy in the last year, Main Causes for Profits or Losses,	

	Improvement Plans and the Investment Plans for the Coming Year.....	280
VI.	The analysis and assessment of risk management in the last year to the date this report was printed by the analysis of the overall financial position and operation. ....	281
VII.	Responding Mechanism to the Crisis Handling.....	299
VIII.	Other Major Events .....	300
<b>Six.</b>	<b>Special Disclosure.....</b>	<b>303</b>
I.	Information on Affiliates .....	303
II.	Any private placement of securities in the recent years up to the publication of this annual report.....	303
III.	The shares in the Financial Holding Company held or disposed of by subsidiaries in the recent years up to the publication of this annual report: .....	303
IV.	Other important supplementary information:.....	303
V.	Events occurred in the previous year or up to the publication of this annual report, which significantly affect shareholders' equity or price of shares pursuant to subparagraph 2, paragraph 3, article 36 of the Securities and Exchange Act .....	303

# One. Letter to Shareholders

## I. Business Report for the year 2024

In 2024, the global economy experienced moderate growth, inflation eased in major economies, and financial markets rose, driven by AI applications. Thanks to the concerted efforts of our employees, Cathay Financial Holdings (Cathay FHC) delivered an outstanding performance, with consolidated after-tax profit reaching NT\$111.2 billion (US\$3.39 billion), the second highest level on record, and earnings per share of NT\$7.29. Our subsidiaries Cathay United Bank, Cathay Century, Cathay Securities, and Cathay SITE all achieved record-high profits, while Cathay Life Insurance posted its second-highest profit on record.

### **Cathay Subsidiaries Delivered Outstanding Profit Performance in 2024**

Cathay Life Insurance reported strong investment income and stable underwriting operations. Cathay Life Insurance launched a diverse range of innovative products, strengthened channel management, and further enhanced its health ecosystem. Our value-driven product strategy delivered robust results, with strong growth in first-year premiums for health and accident insurance. Cathay Life Insurance ranked No. 1 in the industry in terms of total premium.

Cathay United Bank reported a record-high consolidated after-tax profit for the fourth consecutive year, with strong loan growth and a robust increase in net interest income. In the wealth management business, Cathay United Bank strived to meet customers' need for diversified asset allocations. Wealth management fee income grew significantly, driven by strong sales momentum for various products. By leveraging digital, data and ecosystem partnerships, Cathay United Bank continued to provide customer-oriented and personalized financial services.

Cathay Century continued to expand its business with a balanced focus on both quality and quantity, while maintaining a customer-centric approach. Cathay Century achieved double-digit year-over-year growth in premiums and retained the second-largest market share in the industry. Cathay Securities delivered excellent performance by reinforcing its digital business model, with its domestic brokerage market share once again reaching a new record high and its sub-brokerage business maintaining a leading position. Furthermore, Cathay Securities saw a steady increase in new account openings, with the total number of customers surpassing two million in 2024. Cathay SITE's products were highly regarded by investors, leading to a nearly 40% year-over-year growth in assets under management, reaching NT\$2.2 trillion (US\$68.4 billion).

### **Focus on Cross-Border Business; Deploy Digital Technology to Optimize Service and Expand Overseas Market**

Cathay FHC strengthened its presence in the Southeast Asia and Greater China markets by localizing business operations and enhancing customer experience. In Southeast Asia, Cathay United Bank continued to enhance business resilience through its extensive network, innovative products, and digital services. For example, our Singapore branch supported customers in adopting corporate online banking for trade finance, accelerating their digitalization. In Vietnam, Cathay United Bank was the first Taiwanese bank to launch a digital unsecured loan service. Cathay Life Insurance (Vietnam) maintained its growth momentum, while Cathay Insurance (Vietnam) promoted digital transformation and mobile insurance. In Greater China, Cathay United Bank (China) and our Hong Kong branch strengthened cross-border services, focusing on niche customer segments, diversified services, and green products. Cathay Lujiazui Life Insurance continued to see growth in premium income, while Cathay Insurance (China) remained committed to achieving digital-only and intelligent services, as well as expanding e-commerce-related business.

### **Aim to Become a Technology Company that Provides Financial Services**

Cathay FHC leverages digital applications, data and technology to drive business growth. Cathay FHC has over 9.35 million digital users and developed the industry-leading Cathay Gen AI Architecture (GAIA), promoting diverse applications, AI governance, and risk management across all subsidiaries. Cathay FHC also continued with its large-scale cloud data migration and cloud governance.

Cathay Life Insurance enhanced customer experience by applying AI and data analytics across digital platforms, daily operations, risk management, employee experience and efficiency enhancement. Cathay United Bank implemented a dual warning mechanism that combines fraud prevention technology with in-person counter care, successfully safeguarding customers from over NT\$1 billion in fraud losses—the best performance in the financial industry. Our digital banking brand, CUBE, offers customers convenient, secure, and highly personalized digital financial services through the strategy of “One Card, One Account, One App.” Cathay Century leveraged AI and data analytics to enhance customer experience and risk management. Cathay Century is also the first in the industry to launch “CarTech Smart Auto Insurance Value-Added Services” and a pilot program of “Exchanging Points and Vouchers for Premium Payment.” Cathay Securities developed diversified digital services, and was the first in the industry to introduce “Dividend Reinvestment” for regular saving plans, allowing customers to grow their assets with just one click via the Cathay Securities app. Cathay SITE officially launched its mobile app, providing investors with diverse services, including real-time access to status of fund investments and ETF dividend information.

### **Continue to Align with Global Trends and Refine Our Corporate Governance**

Cathay FHC continues to strengthen its corporate governance mechanisms, achieving the following results in 2024: (1) We outsourced our shareholder services to enhance independence and operational efficiency; (2) we appointed a Chief Climate Officer to oversee the Group’s climate-related issues; (3) for the fourth time, Cathay FHC, Cathay Life Insurance, and Cathay United Bank participated in the “CG6014(2023) Corporate Governance System Evaluation” and once again received the highest “Excellent” rating. Cathay FHC also received “Level-A” certification in the “Taiwan Intellectual Property Management System (TIPS)” for the third time. Furthermore, Cathay FHC obtained the “ISO 22301 Business Continuity Management System” international certification for the second time and the “BS 10012 Personal Information Management System” international certification for the first time; (4) Cathay FHC completed the first commercialization of a financial industry patent license in Taiwan; (5) Cathay FHC continues to promote Systematic Management of Compliance Risk and the AML/CFT Cathay Risk Center platform; and (6) Cathay FHC introduced a zero trust maturity methodology for the Group.

In 2025, Cathay FHC plans to engage an independent third-party institution to conduct a board performance evaluation. Additionally, we will complete the election of the 9th board of directors, further strengthening both professionalism and diversity to enhance board effectiveness and ensure corporate sustainability.

### **Pioneer in International Sustainability Trends and Expand the Sustainable Finance Impact**

Cathay FHC is committed to corporate sustainability, with three strategic focuses: climate, health and empowerment. Cathay FHC has been selected as a constituent in the Dow Jones Sustainability Index (DJSI) World Index for seven consecutive years and in the DJSI Emerging Markets Index for ten consecutive years, demonstrating our strong sustainability performance, which has been recognized internationally.

By leveraging its core competencies to provide products and services that support physical, mental, and financial health, Cathay Life Insurance presented a new health proposition, launching a comprehensive health promotion mechanism to foster a healthier society. Cathay United Bank actively promoted the concept of financial health across all age groups, dedicating efforts to strengthen the financial resilience of the general public. Cathay FHC is committed to empowering youth and women by promoting impact investing, offering financial literacy courses, and equipping female entrepreneurs with financial expertise.

Cathay FHC engaged with stakeholders to drive low-carbon transition. The Cathay Sustainable Finance and Climate Change Summit has been held for eight consecutive years, with participating companies representing 82% of Taiwan’s stock market capitalization and 54% of the Taiwan’s total carbon emissions. Cathay FHC participated in the United Nations Conference of the Parties (COP) for four consecutive years and is the first financial institution in Taiwan to twice host forums in the Blue Zone, showcasing our leadership in sustainability and climate finance.

Looking ahead to 2025, the global economy is expected to remain resilient, supported by strong demand for emerging technology applications. However, U.S. President Trump's new policies, geopolitical risks, and future monetary policies in major economies may bring uncertainties to the financial markets. Cathay FHC will continue to reinforce sustainable operations, advance innovative fintech applications, maintain stable operations, and create competitive advantages as we strive toward our vision of becoming a "leading financial institution in the Asia-Pacific region."



## II. 2025 Business Plan

In 2024, global politics and the global economy were marked by turbulence and challenges. Central banks in various countries cut interest rates as inflation pressure eased. However, with the conclusion of the U.S. election and geopolitical conflicts ongoing, global politics and economies are expected to continue to be influenced in the short term by economic fluctuations, central bank monetary policies, and geopolitical risks. Looking ahead to 2025, the global economy will likely be driven by the continued momentum of the boom in AI and energy innovation. In addition, new policies introduced by the Trump administration may heighten market uncertainty, including protectionist policies, renewed trade negotiations, and shifts in immigration policy. Cathay FHC will continue to embrace new opportunities and challenges with caution. In 2025, Cathay FHC will closely monitor global political and economic developments, remain committed to creating maximum value for shareholders, customers, and employees, and uphold our core values of “Integrity, Accountability and Innovation.” At the same time, we will maintain agility in our business strategy to effectively respond to the ever-changing market environment.

Looking ahead, Cathay FHC will employ our long-term robust development strategy to complete our regional expansion, advance digital transformation and business innovation, and leverage our financial competencies to promote sustainable finance. Under the theme of “BETTER TOGETHER,” Cathay FHC aims to achieve the goals of “Creating a Sustainable Future, a Digital Lifestyle, and a Healthy Home Together.” Our 2025 business plan is outlined below:

### **(I) Complete Regional Expansion with the Goal of Becoming a “Leading Financial Institution in the Asia-Pacific Region”:**

Cathay FHC remains committed to our vision of becoming a “leading financial institution in the Asia-Pacific region.” We will continue to advance our regional expansion and integrate our business networks across Greater China and ASEAN markets to provide financial services and products that meet the needs of overseas Taiwanese and local clients. By leveraging our successful financial development experience in Taiwan and the resources of our local strategic partners, and cultivating key international talent, we will further strengthen local operations to create business opportunities that enhance value and generate profits for our shareholders.

Cathay FHC believes that stability is the foundation for moving forward with flexibility. The steady growth of our two main businesses—banking and insurance—can also serve as the cornerstone for the development of our asset management business. By leveraging the strengths of our subsidiaries and integrating three core competences—investment research, product development, and channel expansion—we aim to expand our asset management capabilities and scope of service, thereby establishing a third profit engine for the Group. As Taiwan’s largest asset management company, Cathay FHC will leverage its expertise and experience, strengthen partnerships across distribution channels, and work collaboratively to position Taiwan as one of Asia’s asset management centers.

### **(II) Create a New Financially Healthy Living Environment Empowered by Technology:**

With the aim to become a “technology company that provides financial services” with Cathay-as-a-Service (CaaS) as our core and platform-based services to meet our customers’ diverse daily financial needs, Cathay FHC leverages digital, data and technology, and cross-organizational collaboration to strengthen cross-industry capabilities. We seek to build a data-driven culture and transform digital development processes to create excellent digital experiences. While maintaining financial service stability and optimizing service processes, we strive to develop innovative products, processes, and scenario-based finance through cross-industry collaboration and data empowerment, and in turn enhance customer experience and operational efficiency.

Cathay FHC provide customers with one-stop digital financial products and integrated virtual and physical service experience through digital, data and technology. We also employ AI and data analytics to obtain insight into customer needs. With the aim of helping customers achieve a refined and healthy lifestyle, Cathay FHC embeds not only

personalized financial services but also elements of sports and arts into customers' daily lives, continuing to build a one-stop digital finance platform that delivers superb customer experiences.

**(III) Combine Financial Competencies and Sustainable Development to Realize the Goal of Sustainability:**

In the face of business risks arising from increasingly stringent financial regulations, global political and economic changes, and climate change, Cathay FHC will respond prudently and practically to the impact that market changes have on financial markets. We will integrate our three engines of growth “Insurance + Banking + Asset Management” with international sustainability frameworks to embed sustainability in Cathay’s core competencies and reinforce the three areas of focus—climate, health, empowerment—to achieve sustainable development. Cathay FHC has developed a strategic blueprint for sustainable finance by leveraging our diverse financial competencies and focusing on sustainable operations.

Cathay FHC will uphold our spirit of “Sustainable Cathay; Contributing to the Community” to realize the goal of sustainable operations and lead the industry toward sustainable development.

**III. Future strategies, impacts of the competitive environment, regulatory environment, and the overall business environment**

Looking back to 2024, global inflation has stabilized, the market has recovered, consumer confidence has increased, and momentum has recovered. However, with the new policies of the US President, Trump, market uncertainty will intensify, and geopolitical conflicts will not be settled. The economic growth of various countries will be more uneven, and new opportunities and risks derived from AI development will be derived. The overall business environment is challenging in the environment of multiple risks and under the impact of the new international insurance system. Looking ahead to 2025, Cathay Financial Holdings will continue capturing opportunities in innovative financial technology, optimizing overall asset liability allocation and management and replenishing the Group’s overall capital structure to cope with market changes. In addition to its aims of prudential enforcement of compliance, enhancement of risk management, and pursuit of sustainability, the Group supported by its core values, “Integrity, Accountability and Innovation” and fueled by the three profit engines, “insurance, banking and asset management,” will persist in taking progressive steps to realize its vision of becoming “the best financial institution in Asia Pacific” and orientating itself towards “a technology company centered on finance.”

## IV. Latest Credit Ratings

Rating results summary:

Credit rating agency		Cathay Financial Holdings	Cathay Life	Cathay United Bank	Cathay Century Insurance	Cathay Securities
Taiwan Ratings	Rating Date	2024/10/22	2024/10/25	2024/10/29	2024/10/28	2024/11/4
	Rating Received	twAA	twAA+	twAA+	twAA+	twAA
	Rating Outlook	Stable	Stable	Stable	Stable	Stable
Moody's	Rating Date	2024/6/11	2024/6/11	2024/11/15	2024/6/11	None
	Rating Received	Baa1	A3	A1	A2	
	Rating Outlook	Stable	Stable	Stable	Stable	
Standard & Poor's	Rating Date	2024/10/22	2024/10/25	2024/10/29	2024/10/28	2024/11/4
	Rating Received	BBB+	A-	A	A-	BBB+
	Rating Outlook	Stable	Stable	Stable	Stable	Stable
Fitch	Rating Date	None	2024/6/20	None	None	None
	Rating Received		A/AA+(twn)			
	Rating Outlook		Stable			
AM Best	Rating Date	None	None	None	2024/9/5	None
	Rating Received				A	
	Rating Outlook				Stable	

## Two. Corporate Governance Report

### I. Directors, Supervisors, President, Executive Vice Presidents, Senior Vice Presidents and Top Managers from Each Division and Subsidiary

#### (I) Board Members and Supervisors Information (Table 1)

Board Members and Supervisors Information (1)

2025/4/15

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term Expires	Date first Elected (Note 3)	Shareholding when Elected			Current shareholding (Note 5)		Shares Currently Held by Spouse & Minors (Note 5 and 6)		Shares held in the name of others (Note 5)		Selected Education, Past Positions & Current Positions (Note 12)	Other concurrent positions in the Company or in other companies (Note 7)	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks (Note 13)
							Common stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Chairman	R.O.C.	Hong-Tu Tsai	M 71~79 years old	2022/6/17	Three years	2001/12/31	45,424,978	0.345%	49,632,697	0.338%	-	-	-	-	Chairman, Cathay Financial Holdings; Former Chairman, Cathay Life Insurance (J.D., Southern Methodist University, USA)	Chairman, Cathay Medical Care Corporate; Vice Chairman, Friends of the Police Association of R.O.C.; Director, Cathay Charity Foundation, etc.	Director	Cheng-Chiu Tsai	Brothers	None	
							6,128,386	0.399%	6,128,386	0.399%	-	-	-	-			Senior Executive Vice President	Tsung-Hsien Tsai	Paternity		
Director	R.O.C.	Chen-Sheng Industrial Co., Ltd.	-	2022/6/17	Three years	2010/6/18	33,875,134	0.257%	36,639,978	0.250%	-	-	-	-	Chairman, Cathay Century Insurance (M.A., Keio University, Japan)	Chairman, Cathay Century Insurance; Director, Cathay Medical Care Corporate, etc.	Chairman	Hong-Tu Tsai	Brothers	None	
							-	-	-	-	-	-	-	-							
		Representative: Cheng-Chiu Tsai	M 51~60 years old	2022/6/17	Three years	2007/6/15	620,634	0.005%	671,289	0.005%	-	-	-	-							
							-	-	-	-	-	-	-	-							
Director	R.O.C.	Chia Yi Capital Co., Ltd.	-	2022/6/17	Three years	2013/6/14	55,087,569	0.418%	60,004,377	0.409%	-	-	-	-	Chairman and CEO (legal representative), Moderntimes Co., Ltd.; Director, Cathay United Bank; Former President, CMB Credit Card Center (B.S., Kean College of New Jersey, USA)	Chairman and CEO (legal representative), Moderntimes Co., Ltd.; Director, Cathay United Bank and Moderntimes Information Co., Ltd., etc.	None	None	None	None	
							5,153,614	0.336%	5,153,614	0.336%	-	-	-	-							
		Representative: Chi-Wei Joong	M 61~70 years old	2022/6/17	Three years	2013/6/14	4,545	0.000%	4,915	0.000%	-	-	-	-							
							-	-	-	-	-	-	-	-							
Director	R.O.C.	Cathay United Bank Foundation	-	2022/6/17	Three years	2007/6/15 (Note 8)	6,500,740	0.049%	6,500,740	0.044%	-	-	-	-	Chairman, Cathay United Bank (M.B.A., Baruch College, City University of New York, USA)	Chairman, Cathay United Bank; Independent Director, Samson Holding Ltd., and Zhongshan Huali Industrial Group Co., Ltd.; Director, Cathay Securities Investment Trust, Cathay Private Equity Co., Ltd., Financial Information Service Co., Ltd.,	None	None	None	None	
							100,000	0.007%	100,000	0.007%	-	-	-	-							

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term Expires	Date first Elected (Note 3)	Shareholding when Elected			Current shareholding (Note 5)		Shares Currently Held by Spouse & Minors (Note 5 and 6)		Shares held in the name of others (Note 5)		Selected Education, Past Positions & Current Positions (Note 12)	Other concurrent positions in the Company or in other companies (Note 7)	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks (Note 13)
							Common stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
		Representative: Andrew Ming-Jian Kuo	M 61~70 years old	2022/6/17	Three years	2007/6/15 (Note 9)	-	-	200,000	0.001%	-	-	-	-		Far East Horizon Limited Farm Industry Co., Ltd., Cathay Medical Care Corporate; Director, The Bankers Association of Taipei, Chinese East Asia Economic Association : Supervisor, The Bankers Association of the Republic of China and NTU Children’s Health Foundation, etc.					
							-	-	-	-	-	-	-	-							
Director	R.O.C.	Cathay Life Employees’ Welfare Committee	-	2022/6/17	Three years	2010/6/18	34,590,372	0.263%	34,590,372	0.236%	-	-	-	-	Chairman, Cathay Charity Foundation; Former Chairman, Vice Chairman and President, Cathay Life Insurance (M.S., National Tsinghua University)	Chairman of Cathay Charity Foundation, etc.	None	None	None	None	
							-	-	-	-	-	-	-	-							
		Representative: Tiao-Kuei Huang	M 71~79 years old	2022/6/17	Three years	2001/12/31 (Note 10)	289,980	0.002%	515,861	0.004%	32,180	0.000%	-	-							
							27,127	0.002%	27,127	0.002%	2,763	0.000%	-	-							
Director	R.O.C.	Cathay Life Employees’ Welfare Committee	-	2022/6/17	Three years	2010/6/18	34,590,372	0.263%	34,590,372	0.236%	-	-	-	-	Chairman, Cathay Life Insurance; Former Vice Chairman, President, Cathay Life Insurance (M.S., University of Iowa, USA)	Chairman, Cathay Life Insurance; Director, Cathay Medical Care Corporate, etc.	None	None	None	None	
							-	-	-	-	-	-	-	-							
		Representative: Ming-Ho Hsiung	M 71~79 years old	2022/6/17	Three years	2007/6/15	61,570	0.000%	211,570	0.001%	-	-	-	-							
							25,000	0.002%	25,000	0.002%	-	-	-	-							
Director	R.O.C.	Cathay Life Employees’ Welfare Committee	-	2022/6/17	Three years	2010/6/18	34,590,372	0.263%	34,590,372	0.236%	-	-	-	-	President, Cathay Financial Holdings; Vice Chairman, Cathay Life Insurance; Former President, Cathay United Bank (M.B.A., University of Pennsylvania, USA)	President, Cathay Financial Holdings; Vice Chairman, Cathay Life Insurance and Cathay Charity Foundation; Managing Director, CDIB & Partners Investment Holding Corporation; Director, Cathay Securities Investment Trust, Joint Credit Information Center; Managing Supervisor, Cathay Medical Care Corporate; Managing Director of The Bankers Association of The Republic of China; Director, The Bankers Association of Taipei, etc.	None	None	None	None	
							-	-	-	-	-	-	-	-							
		Representative: Chang-Ken Lee	M 61~70 years old	2022/6/17	Three years	2010/6/18	131,729	0.001%	360,112	0.002%	-	-	-	-							
							20,000	0.001%	20,000	0.001%	-	-	-	-							
Director	R.O.C.	Chia Yi Capital Co., Ltd.	-	2022/6/17	Three years	2013/6/14 (Note 11)	55,087,569	0.418%	60,004,377	0.409%	-	-	-	-	Chief Financial Officer / Senior Executive Vice President, Cathay Financial Holdings; Former Chief Financial Officer / Senior Executive Vice President, Cathay United Bank; Chief Auditor, Cathay Bank (M.B.A., National Chengchi University)	Chief Financial Officer / Senior Executive Vice President, Cathay Financial Holdings; Director, Cathay United Bank, Cathay Venture, Taipei Foreign Exchange Market Development Foundation, etc.	None	None	None	None	
							5,153,614	0.336%	5,153,614	0.336%	-	-	-	-							

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term Expires	Date first Elected (Note 3)	Shareholding when Elected			Current shareholding (Note 5)		Shares Currently Held by Spouse & Minors (Note 5 and 6)		Shares held in the name of others (Note 5)		Selected Education, Past Positions & Current Positions (Note 12)	Other concurrent positions in the Company or in other companies (Note 7)	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks (Note 13)
							Common stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
		Representative: Grace Chen	F 51~60 years old	2023/12/18	Three years	2023/12/18	170,586	0.001%	170,586	0.001%	-	-	-	-	-			-			
							25,000	0.002%	25,000	0.002%	-	-	-	-							
Independent Director	R.O.C.	Feng-Chiang Miao	M 71~79 years old	2022/6/17	Three years	2016/6/8	-	-	-	-	-	-	-	-	Chairman, MiTAC Holdings Corporation; Former ITRI Laureate; President, UPC Technology Corporation, President, Linde Lienhwa Industrial Gases Co., Ltd.; Chairman, UPC Venture Capital, Chairman, Synnex Corporation; Independent Director, Galileo International Shipping Co., Ltd.; Independent Director, British Oxygen Company, Independent Director, Linde Group; Representative of APEC Business Advisory Council (ABAC); Convener, Civil Advisory Committee of National Information and Communications Initiative Committee (NICI); Director, TD Synnex Corporation, Mitac Digital Technology Corp.; Chairman, Chinese National Federation of Industries (Honorary Doctorate of National Chiao Tung University, Master of Business Administration of Santa Clara University, U.S.A., Bachelor of Electrical Engineering, University of California, Berkeley, U.S.A.)	Independent Director, Cathay United Bank;Chairman, Lien Hwa Industrial Holdings Corp., UPC Technology Corporation, Synnex Technology International Corp., MiTAC Holdings Corporation, MiTAC Incorporated, MiTAC International Corporation, Harbinger Venture Management Co., Ltd., Harbinger Venture Capital; Director, Getac Holdings Corporation, MiTAC Computing Technology Corporation, MiTAC Advance Technology Corp., MiTAC Information Technology Corp., Linde Lienhwa Industrial Gases Co., Ltd., Lien Hwa Milling Corporation, Harbinger Venture III. Capital Corp, GLORY ACE INTERNATIONAL INC., Synnex Global Ltd., CTCI Foundation, etc.	None	None	None	None	
Independent Director	R.O.C.	Edward Yung-Do Way	M 71~79 years old	2022/6/17	Three years	2017/6/16	-	-	-	-	-	-	-	-	Chairman, YCSY Co., Ltd.; Former CEO, Deloitte Taiwan (M.B.A., of University of Georgia, USA)	Independent Director, Cathay United Bank, Cathay Securities, Far Eastern Department Stores and Taita Chemical Co., Ltd.; Chairman, YCSY Co., Ltd.; Director, Iron Force Industrial and MiTAC Holdings, etc.	None	None	None	None	
							-	-	-	-	-	-	-	-							

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term Expires	Date first Elected (Note 3)	Shareholding when Elected			Current shareholding (Note 5)		Shares Currently Held by Spouse & Minors (Note 5 and 6)		Shares held in the name of others (Note 5)		Selected Education, Past Positions & Current Positions (Note 12)	Other concurrent positions in the Company or in other companies (Note 7)	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks (Note 13)
							Common stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Independent Director	R.O.C.	Li-Ling Wang	F 51~60 years old	2022/6/17	Three years	2019/6/14	-	-	-	-	-	-	-	-	-	Chairman, Taiwan Sustainable Finance and Corporate Impact Association; Professor of Risk Management and Insurance Department, National Chengchi University; Former President, Pension Fund Association, R.O.C. Former Vice President, National Chengchi University; Former Chairman, Financial Supervisory Commission Republic of China (Taiwan); Former Director, First Financial Holding; Former Independent Director, China Life Insurance Co., Ltd. (Ph.D. of Temple University (Dept. of Risk Management, Insurance, and Actuarial Science), USA; Master of Hartford University (Dept. of Accounting), USA)	Chairman, Taiwan Sustainable Finance and Corporate Impact Association, Executive Director, Pension Fund Association, R.O.C.; Independent Director, Cathay Life Insurance; Professor of Risk Management and Insurance, National Chengchi University, etc.	None	None	None	None
							-	-	-	-	-	-	-	-	-						
Independent Director	R.O.C.	Tang-Chieh Wu	M 61~70 years old	2022/6/17	Three years	2019/6/14	-	-	-	-	-	-	-	-	-	Secretary-General, Taiwan Financial Services Roundtable; Former Chairman, Hua Nan Financial Holdings Co., Ltd., Hua Nan Bank, Land Bank of Taiwan; Former Political Deputy Minister, Ministry of Finance; Former Executive Vice Chairman, Financial Supervisory Commission; Former Director-General, Securities and Futures Bureau (Master of National Chengchi University (Dept. of Public Finance))	Independent Director, Cathay Life Insurance and Cathay Century Insurance; Managing (Independent) Director, Cathay United Bank; Secretary-General, Taiwan Financial Services Roundtable; Consultant, Accounting Research and Development Foundation; Director, Foundation of Pacific Basin Financial Research and Development and Mr. Guo-Fu Chen Foundation, Mr. Chao-Chin Huang Foundation; Executive supervisor, Alumni Association of Department of Public Finance, National Taipei University; Convener, the Board of Supervisors of Alumni Association of National Taipei University, etc.	None	None	None	None
							-	-	-	-	-	-	-	-	-						

Title (Note 1)	Nationality or Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term Expires	Date first Elected (Note 3)	Shareholding when Elected			Current shareholding (Note 5)		Shares Currently Held by Spouse & Minors (Note 5 and 6)		Shares held in the name of others (Note 5)		Selected Education, Past Positions & Current Positions (Note 12)	Other concurrent positions in the Company or in other companies (Note 7)	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks (Note 13)
							Common stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Independent Director	R.O.C.	Pei-Pei Yu	F 51~60 years old	2022/6/17	Three years	2022/6/17	-	-	-	-	-	-	-	-	-	Chairman and President , Vigor Kobo Co., LTD.; Independent Director, Wistron Corporation; Director, Hung Ting Investment Management Consultant; Former Chairman, Zoyi Venture Capital Co., Ltd; Managing Director, Goldman Sachs (Asia) L.L.C.(Hong Kong); President, Goldman Sachs (Asia) L.L.C., Taipei Branch; Assistant Vice President, UBS AG, Taipei; Manager, Citibank (Taipei Branch); (M.B.A., University of British Columbia, Canada; Department of Banking, National Chengchi University).	Independent director of Cathay Life Insurance, Cathay Century Insurance, and Wistron Corporation; Chairman and President, Vigor Kobo Co., LTD.; Director of Hung Ting Investment Management Consultant, SmartBee Intelligence Company Ltd., CMVT Ltd., and He-Fu-Run-Sheng Enterprise Co., Ltd.	None	None	None	None

Note 1: For representatives of institutional shareholders, the name of the institutional shareholder should be noted and filled in Chart 1 below.

Note 2: Please state the actual age, or, alternatively, state the age interval into which the actual age falls, e.g., 41–50 years, 51–60 years.

Note 3: Fill in “the Date of First Elected of the financial holdings’ directors and supervisors” and footnote any discontinuation.

Note 4: The Company has established an audit committee in lieu of a supervisor since 06/15/2007 according to Article 14- 4 of the Securities and Exchange Act.

Note 5: Data baseline date: April 15, 2025.

Note 6: For representatives of corporate directors, “Shareholdings of spouse and underage children” shall refer to the representative and spouse and underage children of the representative.

Note 7: Directors’ concurrent employments were accurate as at Feb. to Mar. 2025.

Note 8: The Cathay United Bank Foundation appointed its representative - Mr. Gregory K.H. Wang to serve as Vice Chairman of the Company and Mr. Tsu-Pei Chen to serve as Director of the Company from June 15, 2007 to June 17, 2010; representative - Mr. Roger M.H. Lee was appointed as the Company’s Director from June 15, 2007 to April 26, 2010.

Note 9: Director Andrew Ming-Jian Kuo served as independent director of the Company from June 15, 2007 to March 30, 2016 and served as director of the Company from June 17, 2017.

Note 10: Director Tiao-Kuei Huang served as director of the Company from December 31, 2001 to February 18, 2008 and again from June 30, 2011 to June 17, 2022.

Note 11: From June 15, 2007 to December 17, 2023, Chia Yi Capital Co., Ltd. appointed representative Cheng-Ta Tsai as the director of the Company. From December 18, 2023 to June 16, 2025, it appointed representative Grace Chen to replace : Cheng-Ta Tsai as the director of the Company.

Note 12: Experiences related with current position. Detailed job title and the working responsibilities should be described if previously worked for the auditing accounting firm or its affiliated company.

Note 13: In situations where the Company’s President or manager of the highest equivalent grade is the same person as or a spouse or first-degree relative of the Chairman, please explain the reasons, rationality and necessity of such an arrangement and any response measures taken (such as introduction of independent directors). Furthermore, disclose whether more than half of directors are involved in concurrent duty as employees or managers.



Chart 1: Major Shareholders of Institutional Shareholders

April 15, 2025

Institutional Shareholders (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)
Chen-Sheng Industrial Co., Ltd.	Cheng-Chiu Tsai (80.93%), Tsung-Hsun Tsai (9.74%), Tzung Lien Industrial Co., Ltd. (9.33%)
Chia Yi Capital Co., Ltd.	Wan Pao Development Co., Ltd. (60.07%), Lin Yuan Investment Co., Ltd (39.93%)
Cathay Life Insurance Co., Ltd. Employees' Welfare Committee	Not applicable. (Not a corporate entity, contributions to employees' welfare are made monthly by Cathay Life Insurance through monthly revenue.)
Cathay United Bank Foundation	Not applicable. (Cathay United Bank Co., Ltd. (18.46%) (the founder)

Note 1: For directors and supervisors who are representatives of institutional shareholders, the name of the institutional shareholder should be filled.

Note 2: Fill in the major shareholders (top-10 shareholdings) of the institutional shareholders and their individual holding percentage. Fill in Chart 2 below, if the major shareholders are institutions/corporate.

Note 3: For corporate shareholders that are not corporate entities, the name of capital contributor or donor and percentage of capital contribution or donation are shown instead of shareholder name and shareholding percentage.

Chart 2: Major Shareholders of the Entities from Chart 1 that Are Institutions/Corporate

April 15, 2025

Institutional Shareholders (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)
Tzung Lien Industrial Co., Ltd.	Cheng-Chiu Tsai (91.39%), Tsung-Hsun Tsai (8.61%)
Wan Pao Development Co., Ltd.	Tung Chi Capital Co., Ltd. (19.96%), Chia Yi Capital Co., Ltd. (19.85%), Liang Ting Industrial Co., Ltd. (17.85%), Lin Yuan Investment Co., Ltd (14.70%), Wan Ta Investment Co., Ltd. (12.89%), Pai Hsing Investment Co., Ltd. (9.18%), Chen Sheng Industrial Co., Ltd. (3.57%), Tzung Lien Industrial Co., Ltd. (2.00%)
Lin Yuan Investment Co., Ltd.	Chia Yi Capital Co., Ltd. (19.75%), Tung Chi Capital Co., Ltd. (19.69%), Liang Ting Industrial Co., Ltd. (17.74%), Wan Pao Development Co., Ltd. (14.81%), Wan Ta Investment Co., Ltd. (13.01%), Pai Hsing Investment Co., Ltd. (9.45%), Chen Sheng Industrial Co., Ltd. (3.54%), Tzung Lien Industrial Co., Ltd. (2.01%)

Note 1: The name of the institutional shareholder should be filled in for an institutional investor, like that in Chart 1.

Note 2: Fill in the major shareholders (top-10 shareholdings) of the institutional shareholders and their individual holding percentage.

Note 3: For corporate shareholders that are not corporate entities, the name of capital contributor or donor and percentage of capital contribution or donation are shown instead of shareholder name and shareholding percentage.

## Directors and Supervisors Information (II)

### I. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors:

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
Hong-Tu Tsai (Chairman)	<ul style="list-style-type: none"> <li>■ Serving as the Chairman of Cathay Financial Holdings for over 23 years; having served as the Chairman of Cathay Life Insurance for over 27 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5, 6 and 8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0
Cheng-Chiu Tsai (Director)	<ul style="list-style-type: none"> <li>■ Serving as the Chairman of Cathay Century Insurance for over 22 years; having served as the Director of Cathay Financial Holdings for over 17 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0
Chi-Wei Joong (Director)	<ul style="list-style-type: none"> <li>■ Has served as a director of Cathay Financial Holdings and Cathay United Bank for over 11 years, and was the President of Credit Card Center, China Merchants Bank for 6 years, the Vice President of the Consumer Finance Division of CTBC for 5 years, the Chief Financial Officer of Credit Card Center, Citibank (Taiwan) for 2 years, and the Chief Financial Officer of Credit Card Center, AIA for 1 year.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3</li> </ul>	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
	<p>professional qualification of financial holding companies.</p> <ul style="list-style-type: none"> <li>■ At least 5 years of banking experience and meeting the professional banking qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<p>of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</p> <ul style="list-style-type: none"> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	
Andrew Ming-Jian Kuo (Director)	<ul style="list-style-type: none"> <li>■ Has served as Chairman of Cathay United Bank for over 7 years; former independent director of Cathay Financial Holdings / Cathay United Bank / Cathay Securities for over 8 years, and as President of JP Morgan Chase Bank in Taiwan and Hong Kong for over 3 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in banking and securities, meeting the professional qualifications in banking and securities.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0
Tiao-Kuei Huang (Director)	<ul style="list-style-type: none"> <li>■ Serving as the Chairman of Cathay Charity Foundation for over 3 years, the director of Cathay Financial Holdings for over 19 years; Former Chairman of Cathay Life Insurance for over 5 years, having served as the Vice Chairman and President of Cathay Life Insurance for over 6 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
Ming-Ho Hsiung (Director)	<ul style="list-style-type: none"> <li>■ Serving as the Chairman of Cathay Life Insurance for over 1.5 years, the director of Cathay Financial Holdings for over 17 years; having served as the Vice Chairman over 5 years, President of Cathay Life Insurance for over 9 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The director is not an employee of the Company or any of its affiliates.</li> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The director's spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 6–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0
Chang-Ken Lee (Director)	<ul style="list-style-type: none"> <li>■ Has served as President and Director of Cathay Financial Holdings for more than 13 years; the Vice Chairman of Cathay Life Insurance for over 1.5 years, Director of Cathay Securities for more than 6 years; having served as President of Cathay United Bank for more than 5 years; Director of Cathay United Bank for more than 12 years; Executive Vice President of Cathay Life Insurance for 2.5 years / Senior Vice President for 0.5 years / Manager for 1.5 years; clerk, sub-section chief, section chief for more than 13 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in banking and insurance, meeting the professional qualifications in banking and insurance.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The director's spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5, 6 and 8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	0
Grace Chen (Director)	<ul style="list-style-type: none"> <li>■ Serving as the Director of Cathay Financial Holdings for more than 1 year, Chief</li> </ul>	<ul style="list-style-type: none"> <li>■ The shareholding in the Company of the director, including the spouse, minor children or in the name of others, are not a</li> </ul>	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
	<p>Financial Officer / Senior Executive Vice President of Cathay Financial Holdings for over 21 years, the director of Cathay United Bank for over 18 years and the director of Cathay Venture for over 5 years; having served as the Senior Executive Vice President for over 3.5 years / the Vice President for over 9 years / the Chief Auditor for over 1.5 years of Cathay United Bank.</p> <ul style="list-style-type: none"> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of banking experience and meeting the professional banking qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<p>natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</p> <ul style="list-style-type: none"> <li>■ The director's spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 6–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> </ul>	
Feng-Chiang Miao (Independent Director)	<ul style="list-style-type: none"> <li>■ Has served as Chairman of MiTAC Holdings Corporation for over 11 years; Chairman of Synnex Technology International Corp. for over 36 years; Chairman of UPC Technology Corporation for over 48 years; Independent Director of Cathay Financial Holdings/ Cathay United Bank for over 8 years; having served as Independent Director of Cathay Life Insurance for over 3 years and Independent Director of Cathay Century Insurance for over 6 years.</li> <li>■ has financial holding working experience for more than 5 years; competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Deep expertise in IT channel</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company's 100% owned subsidiary, Cathay United Bank, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director's spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment</li> </ul>	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
	<p>layout, global production, corporate operations, joint ventures and strategic alliances, venture capital and other areas of management.</p> <ul style="list-style-type: none"> <li>Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<p>of Independent Directors and Compliance Matters for Public Companies”).</p> <ul style="list-style-type: none"> <li>Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	
Edward Yung-Do Way (Independent Director)	<ul style="list-style-type: none"> <li>Certified public accountant in State of Georgia, U.S., and The Republic of China; having served as CEO of Deloitte Taiwan for over 2 years; serving as Chairman of YCSY Co., Ltd. for over 14 years, independent director of both Cathay Financial Holdings and Cathay United Bank for over 7 years, independent director of Cathay Securities for over 5 years.</li> <li>competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>Except for serving as the independent director of the Company and the Company’s 100% owned subsidiaries, Cathay United Bank and Cathay Securities, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>Neither he or his spouse is a professional</li> </ul>	3

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
		who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.	
Li-Ling Wang (Independent Director)	<ul style="list-style-type: none"> <li>■ Serving as Chairman of the Taiwan Sustainable Finance and Corporate Impact Association for over 0.5 years, Professor of Risk Management and Insurance, National Chengchi University for over 16 years, having served as Chairman of Pension Funds Association of R.O.C. in Taiwan for over 7.5 years; Chairman and Vice Chairman without Portfolio of Financial Supervisory Commission, Vice President of National Chengchi University, and independent director of China Life Insurance for over 1.5 years, director of First-Aviva Life for over 2 years; serving as independent director of Cathay Financial Holdings and Cathay Life Insurance for over 5 years.</li> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company’s 100% owned subsidiary, Cathay Life, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a</li> </ul>	0

Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
		sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.	
Tang-Chieh Wu (Independent Director)	<ul style="list-style-type: none"> <li>■ Serving as Secretary-General of Taiwan Financial Services Roundtable; having served as Chairman of Hua Nan Financial Holdings Co., Ltd. and Hua Nan Bank for over 2 years, Chairman of Land Bank of Taiwan for over 1 year, Vice Chairman without Portfolio of Financial Supervisory Commission for over 5 years, Director-General of Securities and Futures Bureau for over 4 years, and independent director of all Cathay Financial Holdings, Cathay United Bank, Cathay Life Insurance, and Cathay Century Insurance for over 5 years.</li> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of experience in financial administration or management, and has been recommended for appointment to posts of Grade eight equivalent or higher, with excellent performance; meeting the professional qualifications in banking, insurance and securities.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company’s 100% owned subsidiaries, Cathay Life, Cathay United Bank and Cathay Century Insurance, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	2
Pei-Pei Yu (Independent Director)	<ul style="list-style-type: none"> <li>■ Having served as Managing Director of Goldman Sachs (Asia) L.L.C.(Hong Kong) for over 5.5 years; President of</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> </ul>	2



Criteria Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Name of other Taiwanese Companies currently Serves as an independent Director (Note 3)
	<p>Goldman Sachs (Asia) L.L.C., Taipei Branch for over 2.5 years; Manager / Vice President of Goldman Sachs (Asia) L.L.C.(Hong Kong) for five years; Assistant Vice President of UBS AG, Taipei for over 4 years; and Manager of Citibank (Taipei Branch) for over 2.5 years; independent director of Cathay Financial Holdings / Cathay Life / Cathay Century Insurance for more than 2 years..</p> <ul style="list-style-type: none"> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of working experience in securities, with professional qualifications in securities.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Except for serving as the independent director of the Company and the Company's 100% owned subsidiaries, Cathay Life and Cathay Century Insurance, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director's spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director or supervisor.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? Specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)? Specify the amount(s) of any pay received by the independent

director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 3: Calculated according to Paragraph 2, Article 4 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

## II. Diversity and Independence of the Board

- (I) Board diversity: specify the diversity policy, objectives, and achievement of the Board. The Diversity policy includes, but not limited to, the criteria for selection of directors, the composition or ratios of professional knowledge and skills required by the Board, gender, as well as age, nationality, and culture; the specific objectives and achievements of the said policy shall be specified. If the ratio of any gender among the board of directors is less than one-third, the reasons shall be stated and measures to improve the gender decision-making performance of directors shall be planned.

The Company adopts the “Candidate Nomination System”. If shareholders holding more than 1% of the total issued shares of the Company do not propose a list of director candidates, all the board candidates are nominated through the “Corporate Governance and Nomination Committee”. After reaching a board resolution, the list is sent to the shareholders’ meeting for election. According to Paragraph 3, Article 30 of the “Corporate Governance Best Practice Principles”, The members of the Board of Directors shall possess the knowledge, skills, and experience necessary for performing their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities: 1. Ability to make operational judgments; 2. Ability to perform accounting and financial analysis; 3. Ability to conduct management administration; 4. Ability to handle crisis management; 5. Knowledge of the industry; 6. An international market perspective; 7. Leadership; 8. Ability to make policy decisions; 9. Risk management knowledge and skills.

The Company’s board of directors has been adequately diversified in terms of age, industry experience, professional knowledge and capability. In order to strengthen corporate governance and facilitate the sound development of the board makeup and structure, in Paragraph 2, Article 30 of the “Corporate Governance Best Practice Principles”, the policy of “board member diversification” points out that the composition of the Board of Directors shall be determined by giving due consideration to operational structure, business development direction, future trends and other needs, and it is advisable to assess aspects of diversity including but not limited to basic compositions (e.g., gender, age, nationality and race), professional experience (e.g., financial holding, banking, insurance, securities, industry and technology) and professional knowledge and skills (e.g., business, finance, accounting, law, marketing and digital technology). The Company currently has thirteen directors on the 8th board of directors, including six non-executive directors, five independent directors and two executive directors. The board members collectively possess extensive experience and expertise in finance, digital finance, information technology, business, overseas markets, M&A and management. The board has 15% of directors concurrently serving as employees; independent directors accounted for 38% of all directors and female directors accounted for 23% of all directors; and the five independent directors with an average term of office service period of 5.9 years. The average age of the board of directors is 68 years old.

To effectively play the role of a financial holding company in supervising and managing its subsidiaries, the Company attaches great importance to the diversity of industry and professionalism of the board members. The goal is that each board of directors should have at least one director with banking, insurance and securities expertise, and directors of different genders should also have at least one seat each. The current Board of Directors has 9, 9 and 7 directors who meet the aforementioned professional diversity goals, and the proportion of 3 female directors, which is in line with the aforementioned diversity goals.

The implementation of the diversity policy for members of the current board of directors is shown in the following table “Implementation of the diversity policy for members of the board of directors of Cathay Financial Holdings”. To comply with important policy directions such as international development, digital transformation, and corporate sustainability, the Company continues to introduce talents with relevant expertise and experience to the Board of Directors. Given that relevant talents are hard to find, the ratio of female among the board of directors currently does not reach one-third. In the future, the Company will continue to actively seek talents from various sources in the industry, government, and academia, and weigh the gender composition and other diversification of the Board of Directors, and conduct reviews and adjustments to implement the Board of Directors' diversity policy and enhance corporate governance effectiveness.

- (II) Independence of the Board: Specify the number and proportion of independent directors, describe the Board's independence, and whether there is no circumstance of Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act, including specifying any spousal and relative relationships between directors, supervisors, or directors and supervisors.

The Company's current Board of Directors (8th) consists of 13 directors, 5 Independent directors accounted for 38%. All of the independent directors of the Company comply with the requirements regarding the independence of “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.” The independent directors are nominated and reviewed for the qualifications by the “Corporate Governance and Nomination Committee,” and the term of office did not exceed 3 terms (9 years). During the process, each independent director is required to present the Statement of Independence, and the Company verifies their professionalism and independence by adopting related procedures. Upon the resolution of the Board, the candidates are submitted to the shareholders' meeting for election. In addition, the Company believes that the independence of independent directors must be judged on its merits. The Company is committed to ensuring the independence of the independent directors continuously. The factors taken into account include: whether they can consistently raise constructive issues for management and other directors, whether the views they express are independent of management or other directors, and whether they act and speak appropriately both in and out of the Board. All the independent directors' conducts meet the aforementioned expectations and demonstrates the relevant characteristics, and thus the Company considers all of the independent directors to be independent of the Company.

Among all directors of the Company (13 seats), two seats are spouses or relatives within second degrees of kinship (Directors Hong-Tu Tsai and Cheng-Chiu Tsai are brothers). Therefore, the Company complies with Paragraph 3, Article 26-3 of the Securities and Exchange Act, which requires that more than half of the seats of directors shall not be held by spouses or relatives within two degrees of kinship to each other.

In addition, the Company does not have any supervisor, so the requirement of Paragraph 4, Article 26-3 of the Securities and Exchange Act, where at least one or more supervisors, or one or more supervisors and directors must not have spousal relationship or familial relationship within the second degree of kinship, is not applicable.

# Implementation of the diversity policy for members of the board of directors of Cathay Financial Holdings

Diversity Core Item  Directors	Basic composition									Industry experience								Professional knowledge / skills							
	Nationality / place of registration	Gender	Concurrent positions in our company (and Executive Director)	Age			Tenure of Independent Director (Note 1)			Financial Holding	Bank	Insurance	Securities	Asset Management	Digital Finance / Financial technology	Information / Technology / Others	GICS (GICS Level 1) (Note 2)	Commerce	Finance / Accounting	Legal	Financial	Mathematics / actuarial science	IT	Overseas markets / M&A	Risk management
				51 to 60	61 to 70	71 to 79	3 years and below	3 to 6 years and below	6 to 9 years and below																
Hong-Tu Tsai	R.O.C.	M				✓				✓		✓					Financials	✓		✓	✓			✓	
Cheng-Chiu Tsai	R.O.C.	M		✓						✓		✓					Financials	✓	✓		✓			✓	
Chi-Wei Joong	R.O.C.	M			✓					✓	✓		✓		✓		Financials	✓	✓		✓			✓	
Andrew Ming-Jian Kuo	R.O.C.	M			✓					✓	✓	✓	✓	✓		✓	Financials, Consumer Staples, Materials	✓	✓		✓			✓	
Tiao-Kuei Huang	R.O.C.	M				✓				✓		✓					Financials	✓			✓	✓		✓	✓
Ming-Ho Hsiung	R.O.C.	M				✓				✓		✓					Financials	✓	✓		✓	✓		✓	✓
Chang-Ken Lee	R.O.C.	M	✓		✓					✓	✓	✓	✓	✓			Financials	✓	✓		✓			✓	✓
Grace Chen	R.O.C.	F	✓	✓						✓	✓						Financials	✓	✓		✓				
Feng-Chiang Miao	R.O.C.	M				✓			✓	✓	✓	✓	✓			✓	Financials, Materials, Information Technology, Consumer Staples	✓	✓		✓		✓	✓	
Edward Yung-Do Way	R.O.C.	M				✓			✓	✓	✓					✓	Financials, Materials, Consumer Staples, Information Technology	✓	✓		✓				
Li-Ling Wang	R.O.C.	F		✓				✓		✓	✓	✓	✓	✓	✓		Financials	✓	✓		✓				✓
Tang-Chieh Wu	R.O.C.	M			✓			✓		✓	✓	✓	✓	✓			Financials	✓	✓		✓			✓	
Pei-Pei Yu	R.O.C.	F		✓			✓			✓	✓	✓	✓	✓		✓	Financials, Information Technology, Consumer Staples	✓	✓		✓			✓	
Note 1: The term of office of the Company's independent directors does not exceed 9 years.																									
Note 2: Directors' industry experience																									
(1) Mr. Hong-Tu Tsai is the Chairman of Cathay Financial Holdings and has previously served as the Chairman of Cathay Life Insurance (all of which belong to the financial industry).																									
(2) Mr. Cheng-Chiu Tsai is a Director of Cathay Financial Holdings and concurrently the Chairman of Cathay Century Insurance (all of which belong to the financial industry).																									

- (3) Mr. Chi-Wei Joong is a director of Cathay Financial Holdings and Cathay United Bank, and has previously served as the President of Credit Card Center, China Merchants Bank, the Vice President of the Consumer Finance Division of CTBC, the Chief Financial Officer of Credit Card Center, Citibank (Taiwan), and the Chief Financial Officer of Credit Card Center, AIA (all of which belong to the financial industry).
- (4) Mr. Andrew Ming-Jian Kuo serves as Director of Cathay Financial Holdings and Chairman of Cathay United Bank. He has previously served as Independent Director of Cathay Financial Holdings / Cathay United Bank / Cathay Securities, President of JPMorgan Chase Bank for Taiwan and Hong Kong branches (all of the aforementioned companies belong to the financial industry); in addition, Mr. Kuo also serves as an Independent Director of Zhongshan Huali Industrial Group Co., Ltd. (engaged in product development, design, production and sales of sports shoes, belonging to the daily consumer goods industry), and was formerly a director of Longchen Paper & Packaging Co., Ltd. (paper business of the raw materials industry).
- (5) Mr. Tiao-Kuei Huang is a director of Cathay Financial Holdings and has previously served as the Chairman, Vice Chairman, and President of Cathay Life Insurance (all of which belong to the financial industry).
- (6) Mr. Ming-Ho Hsiung is a director of Cathay Financial Holdings and the Chairman of Cathay Life Insurance. He has previously served as the Vice Chairman, and President of Cathay Life Insurance (all of which belong to the financial industry).
- (7) Mr. Chang-Ken Lee is a Director and President of Cathay Financial Holdings and Director of Cathay Securities Investment Trust. He has previously served as the Director and President of Cathay United Bank, Executive Vice President / Senior Vice President / Manager of Cathay Life Insurance, and the Director of Cathay Securities (all of the above companies are in the financial industry).
- (8) Ms. Grace Chen is the Director and CFO / Senior Executive Vice President of Cathay Financial Holdings, Director of Cathay United Bank and Cathay Venture. She has also previously served as Senior Executive Vice President and Executive Vice President of Cathay United Bank, and Chief Auditor of Cathay Bank (all of the above companies are in the financial industry).
- (9) Mr. Feng-Chiang Miao serves as the Independent Director of Cathay Financial Holdings and Cathay United Bank, and has previously served as Independent Director of Cathay Life Insurance and Cathay Century Insurance (all of which belong to the financial industry). He is also the Chairman of UPC TECHNOLOGY CORPORATION (in the raw materials industry for production of chemicals), Director of Mitac Information Technology Corp. (in the information technology industry), and Director of Lien Hwa Milling Corporation (a food manufacturer in the consumer goods industry).
- (10) Edward Yung-Do Way serves as Independent Director of Cathay Financial Holdings / Cathay United Bank / Cathay Securities (all of which belong to financial industry) / TAITA CHEMICAL COMPANY, LIMITED (in the raw materials industry for production of chemicals). He has previously served as Director of Vanguard International Semiconductor Corporation (the electronics/semiconductor industry which belongs to the information technology sector) and an independent non-executive director of Da Chan Food (Asia) Limited (a food manufacturer belonging to the daily consumer goods industry).
- (11) Ms. Li-Ling Wang is an Independent Director of Cathay Financial Holdings and Cathay Life Insurance. She has previously served as the Chairperson / Vice Chairperson of the Financial Supervisory Commission, Independent Director of China Life Insurance, and Director of First-Aviva Life Insurance Co., Ltd. (all of which belong to the financial industry).
- (12) Mr. Tang-Chieh Wu is an Independent Director of Cathay Financial Holdings / Cathay United Bank / Cathay Life Insurance / Cathay Century Insurance and Secretary General of Taiwan Financial Services Roundtable (TFSR). He has previously served as the Chairman of Hua Nan Financial Holdings / Hua Nan Commercial Bank / Land Bank of Taiwan, the Executive Vice Chairman of Financial Supervisory Commission / Director-General of Securities and Futures Bureau (the aforementioned companies and institutions all belong to the financial industry).
- (13) Ms. Pei-Pei Yu serves as the Independent Director of Cathay Financial Holdings / Cathay Life Insurance / Cathay Century Insurance (the aforementioned companies all belong to the financial industry) / Wistron Corporation (the information technology industry) and Chairman and President of VIGOR KOBO COMPANY LIMITED (food manufacturer of consumer staples business). She has previously served as Managing Director of Goldman Sachs (Asia) L.L.C.(Hong Kong), President of Goldman Sachs (Asia). L.L.C., Taipei Branch, and Manager / Vice President of Goldman Sachs (Asia) L.L.C.(Hong Kong), Assistant Vice President of UBS AG, Taipei Branch, Manager of Citibank (Taipei Branch) (all of the aforesaid companies are in the financial industry).

**(II) Background information of the Presidents, Executive Vice Presidents, Senior Vice Presidents, and heads of departments and branch offices (Table 1-1)**

2025/4/15

Title (Note 1)	Nationality	Name	Date Elected	Gender	Number of shares held			Shares Held by Spouse & Minors		Shares held in the name of others		Selected Education, Past Positions & Current Positions (Note 2)	Other concurrent positions in other companies (Note 5)	Managers who are spouses or relatives within the second degree of kinship			Remarks (Note 3)
					Comm on stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation ship	
						Preferr ed shares	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares						
President	R.O.C.	Chang-Ken Lee	2011/ 02/ 25	Male	360,112		0.002%	-	-	-	-	M.B.A., University of Pennsylvania, USA	Vice Chairman, Cathay Life Insurance and Cathay Charity Foundation; Managing Director, CDIB & Partners Investment Holding Corporation; Director, Cathay Securities Investment Trust, Joint Credit Information Center; Managing Supervisor, Cathay Medical Care Corporate; Managing Director, The Bankers Association of The Republic of China; Director, The Bankers Association of Taipei, etc.	None	None	None	None
					20,000		0.001%	-	-	-	-						
Chief Financial Officer	R.O.C.	Grace Chen	2004/ 01/ 09	Female	170,586		0.001%	-	-	-	-	M.B.A., National Chengchi University	Director, Cathay United Bank, Cathay Venture, Taipei Foreign Exchange Market Development Foundation	None	None	None	None
					25,000		0.002%	-	-	-	-						
Senior Executive Vice President	USA	David P. Sun	2008/ 02/ 01	Male	44,930		0.000%	-	-	-	-	M.B.A. & M.S., Harvard University, USA	Chairman, Symphox Information.; Senior Executive Vice President, Cathay Life Insurance; Director, Cathay United Bank (Cambodia), Cathay United Bank Foundation, Generali Investments Holding S.p.A., Quantifeed Holdings Limited	None	None	None	None
					15,000		0.001%	-	-	-	-						
Chief Investment Officer	R.O.C.	Sophia Cheng	2012/ 07/ 23	Female	82,511		0.001%	-	-	-	-	M.S., Golden Gate University, USA	Director, Cathay United Bank, Cathay Charity Foundation, Brim Biotechnology, Inc., Ascendo Biotechnology, Inc., GenomeFrontier Therapeutics TW Co., Ltd., Datayoo Application Co., Ltd., GenomeFrontierTherapeutics, Inc.	None	None	None	None
					6,000		0.000%	-	-	-	-						
Senior Executive Vice President	R.O.C.	Chung-Yi Teng	2013/ 05/ 01	Male	188,515		0.001%	-	-	-	-	M.B.A., M.I.T., USA/M.S. Statistics, National Tsinghua University	Senior Executive Vice President, Cathay United Bank; Director, Cathay United Bank(China), Cathay United Bank Foundation, Taiwan Construction Manager Co., Ltd. ; Chairman, Cathay United Bank (Cambodia)	None	None	None	None
					-		-	-	-	-	-						
Chief Information Officer	R.O.C.	Jian-Hsing Wu	2021/ 11/ 10	Male	136,123		0.001%	18,991	0.000%	-	-	M.S., Tamkang University	Senior Executive Vice President, Cathay United Bank; Director, Cathay United Bank, Cathay United Bank Foundation	None	None	None	None
					39,000		0.003%	-	-	-	-						
Senior Executive Vice President	R.O.C.	Tsung-Hsien Tsai	2017/ 08/ 18	Male	10,864,458		0.074%	-	-	-	-	M.S. in Electronic Engineering, Harvard University, USA	Senior Executive Vice President, Cathay Century Insurance ; Director, Cathay United Bank, Cathay Century Insurance, Everbright Biofund, Epoch Foundation; Vice Chairman, Cathay Medical Care Corporate, Symphox Information.	Chairman	Hong-Tu Tsai	Paternity	None
					15,000		0.001%	-	-	-	-						

Title (Note 1)	Nationality	Name	Date Elected	Gender	Number of shares held			Shares Held by Spouse & Minors		Shares held in the name of others		Selected Education, Past Positions & Current Positions (Note 2)	Other concurrent positions in other companies (Note 5)	Managers who are spouses or relatives within the second degree of kinship			Remarks (Note 3)
					Comm on stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation ship	
						Preferr ed shares	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares						
Senior Executive Vice President	R.O.C.	Hsiang-Hsin Tsai	2020/ 03/ 12	Female		133,062	0.001%	-	-	-	-	M.B.A., Thunderbird School of Global Management, USA	Senior Executive Vice President, Cathay United Bank ; Supervisor, Cathay United Bank(China)	None	None	None	None
						20,000	0.001%	-	-	-	-						
Chief Technology Officer (CTO)	R.O.C.	Xu-Jie Yao	2020/ 03/ 12	Male		70,000	0.000%	-	-	-	-	M.I.T. SLOAN Business	Senior Executive Vice President, Cathay United Bank; Director, TPISoftware Corporation ,Global Mixe-Mode Technology,Inc.	None	None	None	None
						3,000	0.000%	-	-	-	-						
Senior Executive Vice President	R.O.C.	Shu-Ying Wu	2024/ 01/ 31	Female		33,532	0.000%	1,467	0.000%	-	-	M.B.A., Michigan State University, USA	Senior Executive Vice President, Cathay Life Insurance	None	None	None	None
						4,000	0.000%	-	-	-	-						
Chief Information Security Officer (CISO)	R.O.C.	Ming-Huan Chen	2024/ 12/ 04	Male		45,780	0.000%	-	-	-	-	Department of computer science, Soochow University	Senior Executive Vice President, Cathay Life Insurance	None	None	None	None
						-	-	-	-	-	-						
Chief Auditor	R.O.C.	Hung-Chang Yang	2021/ 03/ 18	Male		159,853	0.001%	19,145	0.000%	-	-	LL.B., Chinese Culture University	None	None	None	None	None
						9,000	0.001%	-	-	-	-						
Vice President and Chief Corporate Governance Officer	R.O.C.	Deh-Yen Weng	2011/ 06/ 29	Female		38,974	0.000%	-	-	-	-	M.B.A., M.I.T., USA	Executive Vice President and Chief Corporate Governance Officer, Cathay Life Insurance	None	None	None	None
						9,000	0.001%	-	-	-	-						
Chief Compliance Officer	R.O.C.	Yu-Mei Lee	2022/ 04/ 01	Female		79,746	0.001%	-	-	-	-	LL.B., National Chung Hsing University	Senior Executive Vice President, Cathay Securities Corporation ; Supervisor, Cathay Futures	None	None	None	None
						-	-	-	-	-	-						
Chief Risk Officer and Chief Climate Officer	R.O.C.	Ching-Lu Huang	2018/ 09/ 14	Male		56,008	0.000%	30,067	0.000%	-	-	M.S. Statistics, National Tsinghua University	None	None	None	None	None
						7,000	0.000%	3,000	0.000%	-	-						
Executive Vice President	R.O.C.	Ta-Ching Hung	2013/ 12/ 28	Male		87,810	0.001%	-	-	-	-	M.B.A., National Chengchi University	Director and President, Cathaylife Singapore Pte. Ltd.; Supervisor, Cathay Securities Corporation, Director, EasyCard Corporation	None	None	None	None
						25,000	0.002%	-	-	-	-						

Title (Note 1)	Nationality	Name	Date Elected	Gender	Number of shares held			Shares Held by Spouse & Minors		Shares held in the name of others		Selected Education, Past Positions & Current Positions (Note 2)	Other concurrent positions in other companies (Note 5)	Managers who are spouses or relatives within the second degree of kinship			Remarks (Note 3)
					Comm on stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation ship	
						Preferr ed shares	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares						
Executive Vice President	R.O.C.	Fu-Min Wang	2017/ 04/ 28	Male		100,000	0.001%	-	-	-	-	B.B.A., Soochow University	Executive Vice President, Cathay Life Insurance	None	None	None	None
						11,000	0.001%	-	-	-	-						
Executive Vice President	R.O.C.	Ming-Chiao Liang	2020/ 03/ 12	Male		60,000	0.000%	-	-	-	-	M.S., Ming Chuan University	Executive Vice President, Cathay United Bank; Director, Rainforest Retail Co., Ltd.	None	None	None	None
						3,000	0.000%	-	-	-	-						
Executive Vice President	R.O.C.	Kuang-Hsueh Chen	2021/ 02/ 04	Male		57,000	0.000%	2,163	0.000%	-	-	M.B.A., University of California, USA	Executive Vice President, Cathay United Bank	None	None	None	None
						-	-	-	-	-	-						
Executive Vice President	USA	Hua-Ben Miao	2021/ 03/ 11	Male		30,000	0.000%	550	0.000%	-	-	M.B.A., University of Pennsylvania, USA	Executive Vice President, Cathay United Bank; Director, Cathay United Bank (Cambodia), INDOVINA BANK LTD., Ally Logistic Property Holding Co. Ltd.(Cayman).; Independent director, CircuTech International Holdings Limited	None	None	None	None
						-	-	16,000	0.001%	-	-						
Executive Vice President	R.O.C.	Cheng-Lung Chu	2023/ 02/ 01	Male		34,492	0.000%	3,000	0.000%	-	-	M.S., National Chengchi University	Compliance Officer, Cathay Century Insurance	None	None	None	None
						-	-	-	-	-	-						
Executive Vice President	R.O.C.	Wei-Ming Chen	2023/ 04/ 28	Male		-	-	-	-	-	-	B.I.M., Tamkang University	Executive Vice President, Cathay Life Insurance	None	None	None	None
						-	-	-	-	-	-						
Executive Vice President	R.O.C.	Shao-Ling Weng	2024/ 01/ 31	Female		-	-	-	-	-	-	M.B.A., National Cheng Kung University	None	None	None	None	None
						6,000	0.000%	-	-	-	-						
Executive Vice President	R.O.C.	Chia-Ying Lin	2024/ 01/ 31	Female		22,157	0.000%	8,056	0.000%	-	-	M. S., National Taiwan University	Executive Vice President, Cathay Life Insurance	None	None	None	None
						-	-	-	-	-	-						
Executive Vice President	R.O.C.	Chun-Lan Shih	2025/ 01/ 22	Female		-	-	-	-	-	-	M.I.B., The University of Melbourne	None	None	None	None	None
						-	-	-	-	-	-						
Executive Vice President	R.O.C.	Hao-Hsiang Liu	2025/ 01/ 22	Male		-	-	-	-	-	-	M.S.S., National Sun Yat-sen University M.S.S., National Sun Yat-sen University	Executive Vice President, Cathay United Bank	None	None	None	None
						-	-	-	-	-	-						
Senior Vice President	R.O.C.	Gwang-Ying She	2014/ 04/ 01	Female		1,160	0.000%	-	-	-	-	M.S. Statistics, National Tsinghua University	None	None	None	None	None
						-	-	-	-	-	-						



Title (Note 1)	Nationality	Name	Date Elected	Gender	Number of shares held			Shares Held by Spouse & Minors		Shares held in the name of others		Selected Education, Past Positions & Current Positions (Note 2)	Other concurrent positions in other companies (Note 5)	Managers who are spouses or relatives within the second degree of kinship			Remarks (Note 3)
					Comm on stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation ship	
						Preferr ed shares	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares						
Senior Vice President	R.O.C.	Chin-Tang Lu	2018/ 04/ 27	Male	-	-	-	-	-	-	-	M.B.A., Yuan Ze University	Project Executive Vice President, Cathay Securities Corporation	None	None	None	None
Senior Vice President	R.O.C.	Ya-Jou Chang	2020/ 04/ 30	Female	3,000	0.000%	-	-	-	-	-	M.B.A., Cornell University USA	None	None	None	None	None
Senior Vice President	R.O.C.	Chun-Chieh Chen	2020/ 04/ 30	Male	15,219	0.000%	-	-	-	-	-	M.B.A., National Taiwan University	Supervisor, Cathay Wind Power Holdings, Cathay Wind Power CO., LTD., Greater Changhua NW Holdings Ltd.	None	None	None	None
Senior Vice President	R.O.C.	Jui-Hung Hung	109/06/13	Male	18,283	0.000%	-	-	-	-	-	M.B.A., Soochow University	Supervisor, Cathay Securities Investment Trust	None	None	None	None
Senior Vice President	R.O.C.	Chin-Chi Chen	2022/ 12/ 01	Male	-	-	-	-	-	-	-	M.S.S., National Taiwan University	None	None	None	None	None
Senior Vice President	R.O.C.	Chun-Ming Chang	2023/ 05/ 12	Male	9,000	0.000%	-	-	-	-	-	M.B.A., University of New England	Supervisor, Symphox Information	None	None	None	None
Senior Vice President	R.O.C.	Li-Hsun Chen	2023/ 11/ 10	Female	-	-	-	-	-	-	-	B.B.A., National Chengchi University	Senior Vice President, Cathay United Bank	None	None	None	None
Senior Vice President	R.O.C.	Yu-Hsiu Ling	2024/ 03/ 06	Female	8,000	0.000%	-	-	-	-	-	LL.M.,National Chengchi University (Currently studying)	None	None	None	None	None
Senior Vice President	R.O.C.	Hui-Ting Li	2024/ 03/ 15	Female	7,081	0.000%	-	-	-	-	-	M.A., Fu Jen Catholic University	None	None	None	None	None
Senior Vice President	R.O.C.	Hua-Chih Kao	2024/ 05/ 01	Male	3,000	0.000%	-	-	-	-	-	M.S., National Chengchi University	None	None	None	None	None

Title (Note 1)	Nationality	Name	Date Elected	Gender	Number of shares held			Shares Held by Spouse & Minors		Shares held in the name of others		Selected Education, Past Positions & Current Positions (Note 2)	Other concurrent positions in other companies (Note 5)	Managers who are spouses or relatives within the second degree of kinship			Remarks (Note 3)
					Comm on stock	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation ship	
						Preferr ed shares	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares						
Senior Vice President	R.O.C.	Chia-Wei Yuan	2024/ 05/ 01	Male	11,571		0.000%	-	-	-	-	M.B.A National Chengchi University	Project Senior Vice President, Cathay United Bank	None	None	None	None
					51,000		0.003%	-	-	-	-						
Senior Vice President	R.O.C.	Chun-Chieh Yang	2024/ 05/ 01	Male	5,000		0.000%	-	-	-	-	M.S.F., Purdue University	Project Senior Vice President, Cathay United Bank; Director, Perfect Chemical Industrial Co., Ltd.	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Sheng-Hao Yen	2024/ 05/ 01	Male	3,000		0.000%	9,163	0.000%	-	-	M.S., Fo Guang University	Senior Vice President, Cathay Life Insurance	None	None	None	None
					1,000		0.000%	-	-	-	-						
Senior Vice President	R.O.C.	Chia-Hsin Ni	2024/ 05/ 16	Female	10,000		0.000%	-	-	-	-	M.A., National Taipei University	Project Senior Vice President, Cathay United Bank	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Hwa-Hsin Yang	2024/ 07/ 17	Male	10,000		0.000%	-	-	-	-	M.B.A., Rutgers University-New Brunswick	Senior Vice President, Cathay Life Insurance; Director, Cathay Wind Power Holdings, Cathay Wind Power CO., LTD., TaiYang Solar Power Co., Ltd., Greater Changhua Offshore Wind Farm NW Ltd., Greater Changhua NW Holdings Ltd.	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Ching-Han Huang	2024/ 09/ 30	Female	-		-	-	-	-	-	M.S., University of Wisconsin	None	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Hsiang-Ni Wu	2025/ 01/ 22	Female	16,000		0.000%	-	-	-	-	M.B.A., National Taipei University of Technology	Supervisor, Cathay Century Insurance	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Kai-Wei Tsai	2025/ 01/ 22	Male	-		-	-	-	-	-	Mechanical Engineering University of California	Chairman, BESTCASE	None	None	None	None
					-		-	-	-	-	-						
Senior Vice President	R.O.C.	Li-Ya Tsai	2025/ 01/ 22	Female	6,812		0.000%	502	0.000%	-	-	M.E.P.A., National Chengchi University	None	None	None	None	None
					-		-	-	-	-	-						

Note 1: This should include all Presidents, Executive Vice Presidents, Senior Vice Presidents, and those who hold equivalent positions (regardless of job titles), as well as key managers from each department and branch entity, must be disclosed.

Note 2: Experiences related with current position. Detailed job title and the working responsibilities should be described if previously worked for the auditing accounting firm or its affiliated company.

Note 3: In situations where the Company's President or manager of the highest equivalent grade is the same person as or a spouse or first-degree relative of the Chairman, please explain the reasons, rationality and necessity of such an arrangement and any response measures taken, such as introduction of independent directors. Furthermore, disclose whether more than half of directors are involved in concurrent duty as employees or managers.

Note 4: Shareholding data was accurate as of April 15, 2025 (the book closure date). The number and percentage of preferred shares include both Class A and Class B.

Note 5: Managers' concurrent employments were accurate as of Feb to Mar 2025.

**(III) Compensation for retired chairmen and presidents of the Company or related companies re-hired as consultants: disclose name, gender, nationality, title, institution and title before retirement, date of retirement, date appointed as consultant, purpose of hire, and responsibilities (Table 1-4):**

None

## II. Remuneration Paid to directors (including independent directors), presidents, executive vice presidents and employees in the latest fiscal year

### (I) Remuneration to non-independent and independent directors (Table 1-2) (aggregate disclosure of directors' names and range of remuneration)

December 31, 2024; Unit: NT\$ thousand

Title	Name	Remuneration Paid to Directors								Sum of A, B, C and D as percentage of Net Income (%) (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Sum of A, B, C, D, E, F and G as percentage of Net Income (Note 10)		Compensation from parent company or invested businesses other than subsidiaries (Note 11)
		Compensation (A) (Note 2)		Pension upon retirement (B)		Remuneration (C) (Note 3)		Service Expenses (D) (Note 4)				Base Compensation, Bonuses, and Allowances (E) (Note 5)		Pension upon retirement (F)		Employee remuneration (G) (Note 6)						
		The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company	Consolidated subsidiaries (Note 7)	The Company		Consolidated subsidiaries		The Company	Consolidated subsidiaries (Note 7)	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	Hong-Tu Tsai	8,400	118,879	0	0	1,800	1,800	1,619	7,440	11,819; 0.01%	128,119; 0.12%	66,284	66,284	66,943	118,950	30	0	30	0	145,076; 0.13%	313,383; 0.28%	383
Director	Representative of Chen-Sheng Industrial Co., Ltd.: Cheng-Chiu Tsai																					
Director	Representative of Chia Yi Capital Co., Ltd.: Chi-Wei Joong																					
Director	Cathay United Bank Foundation: Andrew Ming-Jian Kuo																					
Director	Representative of Cathay Life Insurance Employees' Welfare Committee: Tiao-Kuei Huang																					
Director	Representative of Cathay Life Insurance Employees' Welfare Committee: Ming-Ho Hsiung																					
Director	Representative of Cathay Life Insurance Employees' Welfare Committee: Chang-Ken Lee																					
Director	Representative of Chia Yi Capital Co., Ltd.: Grace Chen																					
Independent Director	Feng-Chiang Miao	21,600	21,600	0	0	0	0	864	2,539	22,464; 0.02%	24,139; 0.02%	0	0	0	0	0	0	0	22,464; 0.02%	24,139; 0.02%	0	
Independent Director	Edward Yung-Do Way																					
Independent Director	Li-Ling Wang																					
Independent Director	Tang-Chieh Wu																					
Independent Director	Pei-Pei Yu																					

1. Please explain the policy, system, standards, and structure by which independent director remuneration is paid, and association between the amount paid and independent directors' responsibilities, risks, and time committed:

The Company has specified in its Compensation Principles the policies, scope, categories and regular review practices for independent directors' compensation. In general, independent directors' compensation is determined based on participation and contribution to the Company's operations in reference to peer levels. Each independent director shall have compensation reviewed individually by the Remuneration Committee and approved by the board of directors before payment. Performance evaluation and salary/compensation rules are subject to review or amendment by the Remuneration Committee every three years.

2. Apart from the aforementioned disclosure, the remuneration to directors of the Company for service rendered (such as serving as a non-employee consultant of the parent company / the companies included in the financial statements / the investees) : None

## Remuneration Range

Remuneration Paid to Directors by Range	Name of Directors / Representatives			
	Total Remuneration from (A+B+C+D)		Total Remuneration from (A+B+C+D+E+F+G)	
	The Company (Note 8)	Consolidated subsidiaries (Note 9) H	The Company (Note 8)	The parent company and all invested businesses (Note 9)
Under NT\$ 1,000,000	Hong-Tu Tsai, Tiao-Kuei Huang	Hong-Tu Tsai	Hong-Tu Tsai, Tiao-Kuei Huang	Hong-Tu Tsai
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (non-inclusive)	Cheng-Chiu Tsai, Ming-Ho Hsiung, Chang-Ken Lee, Grace Chen ,Andrew Ming-Jian Kuo,	Grace Chen	Cheng-Chiu Tsai, Ming-Ho Hsiung, Andrew Ming-Jian Kuo	None
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (non-inclusive)	None	None	None	None
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (non-inclusive)	Chi-Wei Joong, Feng-Chiang Miao, Edward Yung-Do Way, Li-Ling Wang, Pei-Pei Yu	Chi-Wei Joong, Feng-Chiang Miao, Li-Ling Wang, Pei-Pei Yu,	Chi-Wei Joong, Feng-Chiang Miao, Edward Yung-Do Way, Li-Ling Wang, Pei-Pei Yu	Chi-Wei Joong, Feng-Chiang Miao, Li-Ling Wang, Pei-Pei Yu
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (non-inclusive)	Tang-Chieh Wu	Cheng-Chiu Tsai, Chang-Ken Lee , Edward Yung Do Way, Tang-Chieh Wu	Tang-Chieh Wu	Cheng-Chiu Tsai , Edward Yung Do Way ,Tang-Chieh Wu
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (non-inclusive)	None	None	None	None
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (non-inclusive)	None	Tiao-Kuei Huang	Grace Chen	Tiao-Kuei Huang, Grace Chen
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (non-inclusive)	None	Ming-Ho Hsiung, Andrew Ming-Jian Kuo	None	Ming-Ho Hsiung, Andrew Ming-Jian Kuo
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (non-inclusive)	None	None	None	None
Over NT\$100,000,000	None	None	Chang-Ken Lee	Chang-Ken Lee
Total	13	13	13	13

Note 1: Directors' names are presented separately (for corporate shareholders, the name of the corporate shareholder and its representative are presented separately) and distinguished between independent and non-independent directors, while the amount of benefits are presented in aggregate sums. For directors who are also presidents or executive vice presidents at the Company or the subsidiaries, Chart (3-1) or (3-2-1) and (3-2-2) below must be filled in.

Note 2: This includes salary, compensation for professional services, severance pay, and all bonus and bounties paid to the director during the year.

Note 3: This refers to filling in director's profit sharing of the latest fiscal year proposed and resolved by the Board.

Note 4: Payments to the director to cover business expenses (including travel expenditures, allowances, reimbursements, accommodation, company cars, in-kind supplies, etc.) If residences, cars (or other transportations) or personal expenses are provided, information about the assets (including classification, cost, actual or fair market values of the rent, gasoline expenses, other perks) must be disclosed but not included in the remuneration. Compensation paid to personal drivers must be noted, when applicable, but not accumulated under the remuneration received. Total compensation paid to the pertinent drivers by the Group companies in the consolidated statement was NT\$ 2,913 thousand for the period.

- Note 5: Payments to the director, who is also a president, executive vice president, manager, or employee, to cover business expenses (including travel expenditures, allowances, reimbursements, accommodation, company cars, in-kind supplies, etc.) If residences, cars (or other transportations) or personal expenses are provided, information about the assets (including classification, cost, actual or fair market values of the rent, gasoline expenses, other perks) must be disclosed but not included in the remuneration. Compensation paid to personal drivers must be noted, when applicable, but not accumulated under the remuneration received. Total compensation paid to the pertinent drivers by the Group companies in the consolidated statement was NT\$ 1,020 thousand for the period. Salary expenses recognized in accordance with IFRS 2 “Share-based Payment” include acquisition of employee stock warrants, new restricted employee shares, and participation in capital increases by cash subscription, which shall all be calculated as remuneration.
- Note 6: A person receiving employee remuneration (stock and cash bonus) to the director, (including concurrently serving as a president, executive vice president, other manager, or employee) shall disclose the rewarding amount proposed and resolved by the Board (If cannot be estimated, the distribution amount of this year shall be determined by the actual distribution ratio of last year). Table 1-3 shall be filled in.
- Note 7: Total remuneration paid by the Group companies (including the Company) in the consolidated report to the director.
- Note 8: Disclose remuneration paid by the Company to the director under the suitable range. Name of the receiver must be shown under the suitable range.
- Note 9: Disclose remuneration paid by the Group companies (including the Company) in the consolidated report to the director under the suitable range. Name of the receiver must be shown under the suitable range.
- Note 10: Net income disclosed from the latest financial statement of each company.
- Note 11: a. This field represents all forms of remuneration that the director received from the Company’s parent company or invested businesses other than subsidiaries (specify “None” if absent).  
b. For directors who received remuneration from parent company or invested businesses other than subsidiaries, amounts received from these invested businesses or parent company have been added to column I of the remuneration brackets table. In which case, column I will be renamed “...parent company and all invested businesses...”.  
c. Remuneration refers to any return, compensation (including compensations received as an employee, director and supervisor) and professional service fee that the Company’s director received for serving as director, supervisor, or manager in the parent company or invested businesses other than subsidiaries.
- \* Remuneration shown under the chart is for disclosure purpose. It is not subject to “income” under the Income Tax Act, and thereby is not taxable.

**(II) Remuneration to the President and Executive Vice Presidents** (collective disclosure by name and range of remuneration)

December 31, 2024; Unit: NT\$ thousand

Title	Name (Note 1)	Salary (A) (Note 2)		Pension upon retirement (B)		Bonuses & Allowance Paid (C) (Note 3)		Amount of Employee remuneration (D) (Note 4)				Sum of A, B, C and D as percentage of Net Income (%) (Note 8)		Compensation from parent company or invested businesses other than subsidiaries (Note 9)
		The Company	Consolidated subsidiaries (Note 5)	The Company	Consolidated subsidiaries (Note 5)	The Company	Consolidated subsidiaries (Note 5)	The Company		Consolidated subsidiaries (Note 5)		The Company	Consolidated subsidiaries	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Chang-Ken Lee	97,830	168,442	66,943	118,950	123,866	209,381	390	0	390	0	289,029 ; 0.26%	497,163 ; 0.45%	286
Chief Financial Officer	Grace Chen													
Senior Executive Vice President	David P. Sun													
Chief Investment Officer	Sophia Cheng													
Senior Executive Vice President	Chung-Yi Teng													
Chief Information Officer	Jian-Hsing Wu													
Senior Executive Vice President	Tsung-Hsien Tsai													
Senior Executive Vice President	Hsiang-Hsin Tsai													
Senior Executive Vice President	Xu-Jie Yao													
Senior Executive Vice President	Shu-Ying Wu													
Chief Information Security Officer (CISO)	Ming-Huan Chen													
Chief Auditor	Hung-Chang Yang													
Executive Vice President and Corporate Governance Officer	Deh-Yen Weng													
Chief Compliance Officer	Yu-Mei Lee													

Title	Name (Note 1)	Salary (A) (Note 2)		Pension upon retirement (B)		Bonuses & Allowance Paid (C) (Note 3)		Amount of Employee remuneration (D) (Note 4)				Sum of A, B, C and D as percentage of Net Income (%) (Note 8)		Compensation from parent company or invested businesses other than subsidiaries (Note 9)
		The Company	Consolidated subsidiaries (Note 5)	The Company	Consolidated subsidiaries (Note 5)	The Company	Consolidated subsidiaries (Note 5)	The Company		Consolidated subsidiaries (Note 5)		The Company	Consolidated subsidiaries	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chief Risk Officer and Chief Climate Officer	Ching-Lu Huang													
Executive Vice President	Ta-Ching Hung													
Executive Vice President	Fu-Min Wang													
Executive Vice President	Ming-Chiao Liang													
Executive Vice President	Kuan-Hsueh Chen													
Executive Vice President	Hua-Ben Miao													
Executive Vice President	Cheng-Lung Chu													
Executive Vice President	Wei-Ming Chen													
Executive Vice President	Shao-Ling Weng													
Executive Vice President	Chia-Ying Lin													
Former Executive Vice President Fa-Hsiang Chang (Discharged from the post on January 30, 2024)														
Former Executive Vice President Pei-Ching Lin (Discharged from the post on December 4, 2024)														

\* All personnel who hold positions equivalent to president or executive vice president (such as CEO, executive, business director, etc) must be disclosed.



## Remuneration Range

Remuneration to President and Executive Vice Presidents (NT\$) Remuneration Range	President & Executive Vice President Name	
	The Company (Note 6)	The parent company and all invested businesses (Note 7)
Under NT\$ 1,000,000	Ming-Huan Chen, Hua-Ben Miao, Chia-Ying Lin , Fa-Hsiang Chang , Pei-Ching Lin	None
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (non-inclusive)	Hsiang-Hsin Tsai, Ching-Lu Huang, Ta-Ching Hung, Fu-Min Wang, Kuang-Hsueh Chen, Cheng-Lung Chu	None
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (non-inclusive)	Ming-Chiao Liang	Cheng-Lung Chu
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (non-inclusive)	None	Chia-Ying Lin , Pei-Ching Lin
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (non-inclusive)	Jian-Hsing Wu, Hung-Chang Yang, Deh-Yen Weng, Yu-Mei Lee, Wei-Ming Chen, Shao-Ling Weng	Ming-Huan Chen, Hung-Chang Yang, Deh-Yen Weng, Yu-Mei Lee, Ching-Lu Huang, Ta-Ching Hung, Fu-Min Wang, Wei-Ming Chen, Shao-Ling Weng
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (non-inclusive)	Chung-Yi Teng, Tsung-Hsien Tsai, Xu-Jie Yao ,Shu-Ying Wu	Ming-Chiao Liang, Kuang-Hsueh Chen, Hua-Ben Miao, Fa-Hsiang Chang
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (non-inclusive)	Grace Chen, David P. Sun, Sophia Cheng	Grace Chen, David P. Sun, Sophia Cheng, Chung-Yi Teng, Jian-Hsing Wu, Tsung-Hsien Tsai, Hsiang-Hsin Tsai, Xu-Jie Yao,Shu-Ying Wu
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (non-inclusive)	None	None
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (non-inclusive)	None	None
Over NT\$100,000,000 (inclusive)	Chang-Ken Lee	Chang-Ken Lee
Total	26	26

Note 1: Names of the presidents and executive vice presidents must be shown separately. Any directors who co-headed the President or Executive Vice President positions are disclosed in this table and in Table (1-1), or Tables (1-2-1), and (1-2-2).

Note 2: This includes salary, compensation for professional services, severance pay to the president and executive vice presidents during the year.

Note 3: Payments to presidents or executive vice presidents to reward or cover business expenses (including travel expenditures, allowances, reimbursements, accommodation, company cars, in-kind supplies, etc.) If residences, cars (or other transportations) or personal expenses are provided, information about the assets (including classification, cost, actual or fair market values of the rent, gasoline expenses, other perks) must be disclosed but not included in the remuneration. Compensation paid to personal drivers must be noted, when applicable, but not accumulated under the remuneration received. Total compensation paid to the pertinent drivers by the Group companies in the consolidated statement was NT\$ 4,216 thousand for the period. Salary expenses recognized in accordance with IFRS 2 "Share-based Payment" include acquisition of employee stock warrants, new restricted employee shares, and participation in capital increases by cash subscription, which shall all be calculated as remuneration.

Note 4: Employee remuneration amount (stock and cash; if cannot be estimated, the distribution amount of this year shall be determined by the actual distribution ratio of last year) to the president or the executive vice president. The rewarding amount is proposed and resolved by the Board of the fiscal years. Table 1-3 shall be filled in.

Note 5: Aggregated amount of individual compensation paid by the Group companies (including the Company) in the consolidated statement to the president or executive vice president.

Note 6: Aggregated amount of individual compensation paid by the Company to the president or executive vice president. Names of the receivers must be shown under the suitable range.

Note 7: Aggregated amount of individual compensation paid by the Group companies (including the Company) in the consolidated statement to the president or executive vice president. Names of the receivers must be shown under the suitable range.

Note 8: Net income disclosed from the latest financial statement of each company.

Note 9: a. This field represents all forms of remuneration that the President and Executive Vice Presidents received from the Company's parent company or invested businesses other than subsidiaries (specify "None" if absent).

b. For President/Executive Vice Presidents who receive remuneration from parent company or invested businesses other than subsidiaries, the amount of remuneration from parent company or invested businesses have been added to column E of the remuneration brackets table. In which case, column E will be renamed "...parent company and all invested businesses..."

c. Remuneration refers to any returns, compensation (including compensations received as an employee, director, and supervisor) and professional service fees that the Company's President/Executive Vice Presidents received for serving as directors, supervisors or managers in the parent company or invested businesses other than subsidiaries

\* Remuneration shown under the chart is for disclosure purpose. It is not subject to "income" under the Income Tax Act, and thereby is not taxable.

**(III)Employee Remuneration Distributed to Managers and Distribution Situation (Table 1-3)**

December 31, 2024; Unit: NT\$ thousand

	Title (Note 1)	Name (Note 1)	Stock Amount (Note 2)	Cash Amount (Note 2)	Total	Total as a Percentage of Net Income (%)
Manager (Note 3)	President	Chang-Ken Lee	0	660	660	0.0006%
	Chief Financial Officer	Grace Chen				
	Senior Executive Vice President	David P. Sun				
	Chief Investment Officer	Sophia Cheng				
	Senior Executive Vice President	Chung-Yi Teng				
	Chief Information Officer	Jian-Hsing Wu				
	Senior Executive Vice President	Tsung-Hsien Tsai				
	Senior Executive Vice President	Hsiang-Hsin Tsai				
	Senior Executive Vice President	Xu-Jie Yao				
	Senior Executive Vice President	Shu-Ying Wu				
	Chief Information Security Officer (CISO)	Ming-Huan Chen				
	Chief Auditor	Hung-Chang Yang				
	Vice President and Chief Corporate Governance Officer	Deh-Yen Weng				
	Chief Compliance Officer	Yu-Mei Lee				
	Chief Risk Officer and Chief Climate Officer	Ching-Lu Huang				
	Executive Vice President	Ta-Ching Hung				
	Executive Vice President	Fu-Min Wang				
	Executive Vice President	Ming-Chiao Liang				
	Executive Vice President	Kuang-Hsueh Chen				
	Executive Vice President	Hua-Ben Miao				
	Executive Vice President	Cheng-Lung Chu				
	Executive Vice President	Wei-Ming Chen				
	Executive Vice President	Shao-Ling Weng				

	Executive Vice President	Chia-Ying Lin				
	Senior Vice President	Gwang-Ying She				
	Senior Vice President	Chin-Tang Lu				
	Senior Vice President	Ya-Jou Chang				
	Senior Vice President	Chun-Chieh Chen				
	Senior Vice President	Chi-Ya Hua				
	Senior Vice President	Jui-Hung Hung				
	Senior Vice President	Chun-Lan Shih				
	Senior Vice President	Hao-Hsiang Liu				
	Senior Vice President	Chin-Chi Chen				
	Senior Vice President	Chun-Ming Chang				
	Senior Vice President	Li-Hsun Chen				
	Senior Vice President	Yu-Hsiu Ling				
	Senior Vice President	Hui-Ting Li				
	Senior Vice President	Jia-Wei Yuan				
	Senior Vice President	Sheng-Hao Yen				
	Senior Vice President	Hua-Zhi Kao				
	Senior Vice President	Chun-Chieh Yang				
	Senior Vice President	Chia-Hsin Ni				
	Senior Vice President	Hwa-Hsin Yang				
	Senior Vice President	Ching-Han Huang				

Note 1: Individual name and title must be disclosed, but the profit sharing awarded may be shown as an aggregated number.

Note 2: Employee remuneration amount (stock and cash) to managers. The rewarding amount is proposed and resolved by the Board of the fiscal years. If cannot be estimated, the distribution amount of this year shall be determined by the actual distribution ratio of last year. Net income disclosed from the latest financial statement of each company.

Note 3: Managers subject to the rewarding (according to per March 27, 2003 Letter No. Securities and Futures Bureaus-III-0920001301 of the Financial Supervisory Commission, Executive Yuan of the Taiwan Stock Exchange Corporation) are: (1) president or their equivalents; (2) executive vice president or their equivalents; (3) senior vice president or their equivalents; (4) chief financial officer; (5) chief accounting officer; and (6) other persons authorized to manage affairs and sign documents on behalf of a company.

Note 4: For directors, presidents, and executive vice presidents who received Employee remuneration (including stock and cash bonus), Table 1-2 must be filled in other than this chart.

- (IV) A Company that has had an insufficient director/supervisor shareholding percentage for 3 consecutive months or longer during the most recent fiscal year shall disclose the remuneration of individual directors/supervisors:  
None.
- (V) A Company that has had an average ratio of share pledging by director supervisors in excess of 50 percent in any 3 months during the most recent fiscal year shall disclose the remuneration paid to each individual director supervisor having a ratio of pledged shares in excess of 50 percent for each such month:  
None.
- (VI) If the total amount of remuneration received by all of the directors and supervisors in their capacity as directors or supervisors of all of the companies listed in the financial reports exceeds 2% of the net income after tax, and the remuneration received by any individual director or supervisor exceeds NT\$15 million, the Company shall disclose the remuneration paid to that individual director or supervisor:  
None.
- (VII) TWSE/TPEX listed financial holding companies that ranked in the worst two tiers of the most recent corporate governance evaluation, or were denied evaluation by the Corporate Governance Evaluation Committee for reasons such as change of trading method, trade suspension or delisting in the most recent year up till the publication of annual report, shall disclose director and supervisor remuneration on an individual basis:  
None.
- (VIII) TWSE/TPEX listed financial holding companies where annual salary of full-time, non-managerial staff average less NT\$500,000 in the most recent year shall disclose director and supervisor remuneration on an individual basis:  
None.
- (IX) The average annual salary of full-time employees who are not managerial officers has not increased from the previous year, but the net profit after tax of the TWSE/TPEX-listed financial holding company in the most recent year has increased by more than 10%  
None.
- (X) The financial holding company listed on TWSE/TPEX suffered a loss after tax of 10% or more in the most recent year, and the loss exceeded NT\$5 million, and the average remuneration per director (excluding the remuneration of employees) increased by 10% or more and exceeded NT\$100,000.  
None.
- (XI) TWSE/TPEX listed financial holding companies that exhibit any of the conditions listed in Item 2, Point 2 or Item 6 shall disclose remuneration of the 5 most highly remunerated managers on an individual basis:  
None.

**(XII) Amount of remuneration paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Executive Vice Presidents, and their respective proportions to standalone net income, as well as the policies, standards, and packages by which they were paid, the procedures through which remunerations were determined, and their association with business performance and future risks.**

1. Total remuneration paid to directors, presidents and executive vice presidents by the Company and all entities included in the consolidated financial statements amounted to NT\$639,937 thousand dollars in 2024 and NT\$448,219 thousand dollars in 2023, representing 0.58% of 0.88% of net income in the respective years.
2. Remuneration policies, standards, packages and procedures, and association with future risks and business performance
  - (1) Directors', president's and executive vice presidents' remuneration are determined according to the Company's "Director Compensation Guidelines" and "Manager Compensation Guidelines" based on an overall assessment of directors' and managers' duties, the market level, their individual contributions, performance assessments, and expected or actual risks.
  - (2) In the "Director Compensation Guidelines" (referred to as the "Guidelines" below), a director's compensation includes fees, remuneration, and traffic and other allowances.
    - A. Fees: The Company's independent directors, external directors, and directors involved in business administration (e.g., the Chairman / Vice Chairman) may be paid a fixed monthly fee. The amount of which is determined by the Remuneration Committee and the board of directors based on the level of individual directors' participation and contribution to the Company's operations, and the usual peer level. Directors who are directly involved in business administration are paid additional bonuses using the same standards as managers. This performance bonus is linked to the Company's overall performance and the performance of individual subjects during the year.
    - B. Remuneration: Director remuneration is determined according to the Company's Articles of Incorporation, which states that up to 0.05% of annual profit may be allocated and distributed at the percentages outlined in the Guidelines. Independent directors and external directors that are being paid monthly fees are not entitled to receive director remuneration.
    - C. Transportation and other allowances are paid at the standards stated in the Guidelines.
  - (3) The "Manager Remuneration Payment Guidelines" clearly stipulate the items and standards of managers' salaries and rewards.

Fixed remuneration for managers is determined based on job responsibilities, performance and capabilities, and with reference to external remuneration benchmarks. Variable remuneration is linked to the company's annual operating performance and individual performance achievement, and is determined in accordance with the standards set out in the "Manager Remuneration Guidelines" and approved by the Remuneration Committee and the Board of Directors. To confirm the reasonableness of managers' remuneration, we conduct salary competitiveness analysis and evaluate the remuneration of individual managers every year. In order to improve the corporate governance system, effectively urge managers to fulfill their duties, enhance the company's operating strength, and serve as a reference for managers' salaries, position adjustments and bonus issuance, the "Manager Performance Management Development Guidelines" were established. Managers' performance indicators include the company's annual strategic key goals, job responsibilities (such as financial compensation indicators, relative financial indicators, internal control execution results, legal compliance execution results), and other annual key tasks (such as corporate sustainability indicators) to ensure that managers' performance goals are closely linked to company strategies.
3. The Company has established a set of "Director Performance Evaluation Guidelines" and "Manager Performance Management and Development Guidelines" to enhance corporate governance and enforce directors' and managers' duties. Directors' performance evaluation criteria were developed based on "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers".

It has been explicitly stated in the "Director Compensation Guidelines" that directors shall have performance evaluated in combination with internal audit, internal control, and risk indicators; in addition, directors that fail the annual performance evaluation are not entitled to receive remuneration.
4. According to the Company's policies, performance evaluation and salary / compensation rules are subject to review or amendment by the Remuneration Committee every three years or at any time deemed necessary.

### III. Implementation of Corporate Governance

#### (I) Functionality of the board of directors (Table 2)

The 8th board of directors (data range: 2024.1.1-2024.12.31)

A total of 8 meetings (A) were held in the last year; below are directors' and supervisors' attendance records:

Title	Name (Note 1)	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note 2)	Remarks
Chairman	Hong-Tu Tsai	8	0	100%	-
Director	Chen-Sheng Industrial Co., Ltd. Representative: Cheng-Chiu Tsai	8	0	100%	
Director	Chia Yi Capital Co., Ltd. Representative: Chi-Wei Joong	8	0	100%	
Director	Cathay United Bank Foundation Representative: Andrew Ming-Jian Kuo	8	0	100%	
Director	Cathay Life Insurance Co., Ltd. Employees' Welfare Committee Representative: Tiao-Kuei Huang	8	0	100%	
Director	Cathay Life Insurance Co., Ltd. Employees' Welfare Committee Representative: Ming-Ho Hsiung	8	0	100%	
Director	Cathay Life Insurance Co., Ltd. Employees' Welfare Committee Representative: Chang-Ken Lee	8	0	100%	
Director	Chia Yi Capital Co., Ltd. Representative: Grace Chen	8	0	100%	
Independent Director	Feng-Chiang Miao	7	1	87.5%	
Independent Director	Edward Yung-Do Way	8	0	100%	
Independent Director	Li-Ling Wang	8	0	100%	
Independent Director	Tang-Chieh Wu	8	0	100%	
Independent Director	Pei-Pei Yu	8	0	100%	

Note1: Where directors and supervisors are corporate entities, the names of corporate shareholders and their representatives are stated.

Note2:

- (1) The date of resignation is specified for directors or supervisors who had resigned prior to the close of the financial year. The percentage of actual attendance (%) is calculated based on the number of board of directors meetings held and the number of actual attendance during active duty.
- (2) If a re-election of directors or supervisors had taken place prior to the close of the financial year, directors/supervisors of both the previous and the current term are listed; in which case, the remarks column would specify the re-election date and whether the director/supervisor was elected in the previous term, the new term, or both. Actual attendance rate (%) was calculated on the basis of the number of board meetings held during each director's term and the number of meetings actually attended by that director.

Attendance of independent directors at board of directors meetings in 2024:  
By proxy; ✕: Absent

✓: In person; ☆:

2024	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>	Remarks
Feng-Chiang Miao	✓	☆	✓	✓	✓	✓	✓	✓	-
Edward Yung-Do Way	✓	✓	✓	✓	✓	✓	✓	✓	
Li-Ling Wang	✓	✓	✓	✓	✓	✓	✓	✓	
Tang-Chieh Wu	✓	✓	✓	✓	✓	✓	✓	✓	
Pei-Pei Yu	✓	✓	✓	✓	✓	✓	✓	✓	

Directors' and supervisors' ongoing education in 2024

Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
Chairman	Hong-Tu Tsai	20241202	20241202	Cathay Financial Holding Co., Ltd.	Directors' Liability in Corporate M&A - A Discussion of Recent Domestic Indicative Financial Merger Cases I	2.0	-
		20241202	20241202	Taiwan Academy of Banking and Finance (TABF)	Directors' Liability in Corporate M&A - A Discussion of Recent Domestic Indicative Financial Merger Cases II	4.0	
Director	Cheng-Chiu Tsai	20241202	20241202	Cathay Financial Holding Co., Ltd.	Directors' Liability in Corporate M&A - A Discussion of Recent Domestic Indicative Financial Merger Cases I	2.0	-
		20241202	20241202	Taiwan Academy of Banking and Finance (TABF)	Directors' Liability in Corporate M&A - A Discussion of Recent Domestic Indicative Financial Merger Cases II	4.0	
Director	Chi-Wei Joong	20240118	20240118	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	-
		20240430	20240430	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk	0.5	
		20240509	20240509	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20240719	20240719	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240801	20240801	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20241009	20241009	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241009	20241009	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
		20241115	20241115	Taiwan Corporate Governance Association	Comprehensive IP Protection Strategy - Using AI to Assist New	3.0	

Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
					Thinking in IP Compliance Management		
Director	Andrew Ming-Jian Kuo	20240104	20240104	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	-
		20240312	20240312	Cathay United Bank Co., Ltd.	2024 First Half Bank-wide AML Education and Training	1.0	
		20240502	20240502	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk	0.5	
		20240516	20240516	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
		20240719	20240719	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240802	20240802	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20240927	20240927	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241016	20241016	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
		20241025	20241025	Cathay United Bank Co., Ltd.	2024 Second Half Bank-wide AML Education and Training	1.0	
Director	Tiao-Kuei Huang	20240426	20240426	Securities and Futures Institute (SFI)	Global and Taiwan Economic Outlook 2024	3.0	-
		20240528	20240528	Taiwan Corporate Governance Association	The new generation of artificial intelligence: Chatbot ChatGPT flips the new trend of the industry	3.0	
Director	Ming-Ho Hsiung	20240419	20240419	Cathay Life Insurance Co., Ltd.	【Information Security Course】 Analysis of geopolitical judgments and Taiwan Strait security situation	1.5	-
		20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
		20241107	20241107	Cathay Life Insurance Co., Ltd.	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0	
		20241107	20241107	Cathay Life Insurance Co., Ltd.	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5	
		220241107	20241107	Cathay Life Insurance Co., Ltd.	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0	
		20241225	20241225	Cathay Life Insurance Co., Ltd.	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training	3.0	



Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
Director	Chang-Ken Lee	20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	-
		20240930	20240930	Taiwan Stock Exchange Corporation (TWSE)	Summit of Taiwan's Capital Market	3.0	
		20241129	20241129	Cathay Life Insurance Co., Ltd.	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training	3.0	
		20241202	20241202	Cathay Life Insurance Co., Ltd.	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0	
		20241202	20241202	Cathay Life Insurance Co., Ltd.	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5	
		20241202	20241202	Cathay Life Insurance Co., Ltd.	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0	
Director	Grace Chen	20240104	20240104	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	-
		20240626	20240626	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk	0.5	
		20240628	20240628	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
		20240711	20240711	Securities and Futures Institute (SFI)	The new trend of the industry - robot chat, CHATGPT	3.0	
		20240802	20240802	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240814	20240814	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20240912	20240912	Corporate Operating and Sustainability Development Association	ESG Trend and Pandemic Environment Interview Global Tax System Reform and Corporate Tax Governance	3.0	
		20240926	20240926	Corporate Operating and Sustainability Development Association	Promoting corporate sustainability through risk management	3.0	
		20241007	20241007	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241007	20241007	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
Independent Director	Feng-Chiang Miao	20240607	20240607	Taiwan Institute of Directors	New energy Generation	3.0	-
		20240711	20240711	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20240712	20240712	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	
		20240712	20240712	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk/	0.5	

Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
		20240718	20240718	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240801	20240801	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20241018	20241018	Securities and Futures Institute (SFI)	2024 Promotional seminar for prevention of insider trading	3.0	
		20241025	20241025	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241025	20241025	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
Independent Director	Edward Yung-Do Way	20240117	20240117	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	-
		20240306	20240306	Taiwan Corporate Governance Association	Global Economic Outlook 2024	1.0	
		20240508	20240508	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk/	0.5	
		20240509	20240509	Taiwan Academy of Banking and Finance (TABF)	Corporate Governance Lecture-Treating elderly customers in a friendly and fair manner and introducing relevant laws and regulations on the rights and interests of elderly policyholders	3.0	
		20240703	20240703	Taiwan Academy of Banking and Finance (TABF)	Corporate Governance Lecture-The generation of carbon pricing and corporate ESG actions	3.0	
		20240711	20240711	Securities and Futures Institute (SFI)	Digital Reinvention Creates a New Future for AI-Generative AI application case sharing	3.0	
		20240722	20240722	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240805	20240805	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20240806	20240806	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20241001	20241001	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241007	20241007	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
		20241009	20241009	Cathay Securities Corporation	Anti-fraud frontline, AI smart financial cooperation analysis	1.5	
		20241210	20241210	Cathay Securities Corporation	Understanding the characteristics and needs of people with disabilities	0.5	
Independent Director	Li-Ling Wang	20240409	20240409	Cathay Life Insurance Co., Ltd.	【Information Security Course】Geopolitical Judgment and Analysis of the Taiwan Strait Security Situation	1.5	-
		20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
		20241203	20241203	Cathay Life Insurance Co., Ltd.	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training	3.0	

Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
		20241203	20241203	Cathay Life Insurance Co., Ltd.	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0	
		20241203	20241203	Cathay Life Insurance Co., Ltd.	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5	
		20241203	20241203	Cathay Life Insurance Co., Ltd.	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0	
Independent Director	Tang-Chieh Wu	20240201	20240201	Cathay United Bank Co., Ltd.	Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0	-
		20240307	20240307	Chung-Hua Institution for Economic Research	Course for Directors of Corporate Sustainability and Net Zero Strategy	3.0	
		20240403	20240403	Insurance Institute of the Republic of China	Lecture on Corporate Governance (Second Session of 2024)	3.0	
		20240513	20240513	Cathay United Bank Co., Ltd.	Description of common external fraud cases in the financial industry	1.0	
		20240520	20240520	Cathay United Bank Co., Ltd.	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk	0.5	
		20240730	20240730	Cathay United Bank Co., Ltd.	2024 Sexual Harassment Prevention Course	0.3	
		20240812	20240812	Taipei Foundation of Finance	2024 Financial Inclusion Education and Training	2.0	
		20241007	20241007	Cathay United Bank Co., Ltd.	Digital Trust and Sustainable Development	0.9	
		20241008	20241008	Cathay United Bank Co., Ltd.	2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0	
		20241105	20241105	Cathay Life Insurance Co., Ltd.	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0	
		20241105	20241105	Cathay Life Insurance Co., Ltd.	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5	
		20241105	20241105	Cathay Life Insurance Co., Ltd.	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0	
Independent Director	Pei-Pei Yu	20240328	20240328	Cathay Life Insurance Co., Ltd.	【Information Security Course】 Analysis of geopolitical judgments and Taiwan Strait security situation	1.5	-
		20240703	20240703	Taiwan Stock Exchange Corporation (TWSE)	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
		20240920	20240920	Taiwan Corporate Governance Association	AI and the open source era - analysis of corporate legal risks	3.0	
		20240920	20240920	Taiwan Corporate Governance Association	DEI culture builds sustainable competitiveness of enterprises	3.0	

Title	Name	Course date		Exam Administrator	Course name	Course hours	Remarks
		From	To				
		20241015	20241015	Financial Law and Crime Prevention Center	Workshop for Directors, Supervisors and Senior Executives - Discussion on the impact of IFRS 17 on the insurance industry	3.0	
		20241104	20241104	Taipei Foundation of Finance	Corporate Governance - International Trade Money Laundering Prevention and Economic Sanctions Cases	3.0	
		20241204	20241204	Cathay Life Insurance Co., Ltd.	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training	3.0	
		20241204	20241204	Cathay Life Insurance Co., Ltd.	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0	
		20241204	20241204	Cathay Life Insurance Co., Ltd.	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5	
		20241204	20241204	Cathay Life Insurance Co., Ltd.	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0	

Other items to be stated:

- Where the operation of the Board of Directors meets any of the following circumstances, the minutes concerned shall clearly state the meeting date, term, contents of motions, opinions of all independent directors and the Company's resolution of said opinions:
  - Conditions described in Article 14-3 of the Securities and Exchange Act: According to Article 14-5 of the Securities and Exchange Act, Article 14-3 does not apply to the Company.
  - Any other resolution(s) approved but with independent directors voicing opposing or qualified opinions on the record or in writing: None.
- In instances where a director recused himself/herself due to a conflict of interest, the minutes shall clearly state the director's name, contents of the motion and resolution thereof, reason for not voting and actual voting counts:

Directors	Motion	Reasons for avoiding conflict of interest	Participation in voting process
Hong-Tu Tsai, Chang-Ken Lee, Grace Chen	Issued 2023 annual bonuses to managers	This motion concerned the interests of Director Hong-Tu Tsai's direct relatives and the following directors	Disassociated from discussion and voting
Hong-Tu Tsai, Chang-Ken Lee, Grace Chen	Allocation of employees remuneration	This motion concerned the interests of Director Hong-Tu Tsai's direct relatives and the following directors	Disassociated from discussion and voting
Hong-Tu Tsai, Cheng-Chiu Tsai, Chi-Wei Joong, Andrew Ming-Jian Kuo, Tiao-Kuei Huang, Ming-Ho Hsiung, Chang-Ken Lee, Grace Chen	Allocation of directors remuneration	The motion concerned the interests of Director Hong-Tu Tsai and corporate entities represented by directors listed on the left	Disassociated from discussion and voting
Hong-Tu Tsai, Chang-Ken Lee,	Adjustment of the Company's managers' salaries and regular review of managers'	This motion concerned the interests of Director Hong-Tu	Disassociated from discussion and

Directors	Motion	Reasons for avoiding conflict of interest	Participation in voting process
Grace Chen	remuneration	Tsai's direct relatives and the following directors	voting
Chang-Ken Lee, Grace Chen	Presentation of "2025 Audit Plan" proposed by the Company's Auditing Division	The motion concerned the interest of directors listed on the left	Disassociated from discussion and voting
Edward Yung-Do Way, Tang-Chieh Wu, Chang-Ken Lee	Establish the "Corporate Sustainability Committee" the "Organizational Rules" of the Committee, and to appoint the members of the Committee	The motion concerned the interest of directors listed on the left	Disassociated from discussion and voting
Andrew Ming-Jian Kuo	Increase the "Group credit and investment limit" of the Company for "Far East Horizon Group"	The motion concerned the interest of directors listed on the left	Disassociated from discussion and voting
Chang-Ken Lee	Personnel matters of the Company	The motion concerned the interest of directors listed on the left	Disassociated from discussion and voting
Hong-Tu Tsai	The Company intends to purchase digital development manpower to assist in project expansion	This motion concerned the interests of the company that Director Hong-Tu Tsai's direct relative is serving as a director for.	Disassociated from discussion and voting

3. TWSE/TPEX listed financial holding companies are required to disclose the cycle, duration, scope, method and detail of board performance self (or peer) evaluations performed, and complete Table 2 (2) Execution of Board Performance Evaluation.

**Table 2 (2) Execution of Board Performance Evaluation**

	Assessment cycle (Note 1)	Assessment duration (Note 2)	Scope of assessment (Note 3)	Assessment method (Note 4)	Assessment details (Note 5)
External evaluation of 2021 performance for board of directors (Executed in March 2022)	At least once every three years	January 1, 2021 ~ December 31, 2021	Board of Directors	<p>◆ The Company has been engaging professional, independent institutions, experts or scholars from outside the organization to conduct at least once every three years. Details of the assessment, including the indicators used, the procedures, target accomplishment rate and interpretation of assessment outcomes, are planned and executed by the external institutions, experts or scholars.</p> <p>◆ On March 2022, the Company engaged "Taiwan Institute of Ethical Business and Forensics" (referred to as "External Evaluator" below) to conduct an external evaluation,</p>	<p>The External Evaluator had made the following conclusions and recommendations based on observation of the board's performance:</p> <ol style="list-style-type: none"> <li>1. The composition of the Company's Board has become increasingly diverse, and the diversity of directors for different aspects may be further enhanced in the future: The diversity of the Company's Board has been enhanced by including a female director with academic background and experience in competent authorities. It is recommended to consider increasing the proportion of female directors in the future, to enhance gender diversity in the composition of the Board. Another recommendation is to introduce more members with information expertise to the Board; the criteria for selecting director candidates may be adjusted depending on the actual needs in the future, to cope with the changes in the market environment of the financial industry.</li> <li>2. It is recommended that directors attend the board meeting in person: The Company held eight board meetings in 2021, and the chairman and most of the directors attended the board meetings in person; it is recommended that the directors of the Company should attend the board meetings in person as much as possible, to personally understand the content of the proposals, and discuss with other directors, as well as having the opportunity to communicate with the management team.</li> <li>3. The Company has planned and implemented many aspects of corporate social responsibility and sustainable governance: The Company and its subsidiaries have invested</li> </ol>

	Assessment cycle (Note 1)	Assessment duration (Note 2)	Scope of assessment (Note 3)	Assessment method (Note 4)	Assessment details (Note 5)
				<p>produce an assessment report and recommend optimizations to board performance for year 2021. The results were raised for discussion during the board of directors meeting held on May 4, 2022, and has been approved and implemented accordingly to further enhance the Company's corporate governance system.</p> <p>◆ For this assessment, the External Evaluator had assigned an executive panel to review board meeting and corporate governance-related information provided by the Company for 2021, and to survey and interview directors individually. The goal of this executive panel was to observe how the board functions and to raise recommendations.</p> <p>◆ The External Evaluator is a non-profit academic organization consisting of experts and scholars from various fields. The organization focuses on the research and promotion of integrity, corporate governance, fraud prevention and forensic practices that conform with world standards. The executive panel possessed expertise including accounting, law and corporate governance that</p>	<p>numerous resources in the implementation of ESG-related aspects. The Board of the Company also recognizes the importance of sustainable corporate development. In addition to internal regulations including the Corporate Sustainability Best-Practice Principles, the Declaration of Sustainable Values, and the Environmental and Energy Policy, the subsidiaries of the Company have actually implemented financial sustainability principles, such as the Equator Principles, seeking to encourage companies with business relationships to pay attention to sustainability issues through the influence of financial institutions, and introduce a carbon verification mechanism, to select investment targets based on international standards. This demonstrates that the Company has been actively implementing its corporate social responsibility of the financial industry in its daily business.</p> <p>The Company has planned and taken the following improvement measures in response to the assessment report and recommendations raised by the External Evaluator:</p> <ol style="list-style-type: none"> <li>1. Regarding the recommendation from the external evaluation institution specifying that the Company's Board may further enhance the diversity of directors for different aspects in the future, the current directors of the Company have industrial experiences in financial holdings, banking, insurance, securities, and asset management, as well as the rich experience in digital finance, fintech, and information technology; in addition, as a whole, the Board has the professional knowledge in commerce, finance and accounting, law, finance, mathematics / actuarial science, and digital information, overseas market / M&amp;A, and risk management, meeting the diversity requirements of Paragraph 2, Article 30 of the Company's Corporate Governance Best-Practice Principles. The Company has completed the re-election of directors in 2022, and has increased the proportion of independent directors and female directors to enhance the diversity of the Board. In the future, the Company will continue to enhance the effectiveness of the diverse composition of the Board by considering the Company's strategic development, industry trends, and business needs.</li> <li>2. Regarding the recommendation from the external evaluation institution specifying that the directors of the Company should attend the board meetings in person as much as possible, for the convention of any board meeting, the detailed meeting materials are sent to the directors seven days prior to the meeting pursuant to laws; where any director cannot attend a meeting in person, the appointed proxy participates the discussions and resolutions the meeting. Meanwhile, the attendance of the board meeting also conforms to the requirements of the current corporate evaluation indicators. In the future, the in-person attendance will be encouraged in the meeting notices.</li> <li>3. In terms of sustainability, the Group's three major engines of operation – insurance, banking and asset management – are aligned with international</li> </ol>

	Assessment cycle (Note 1)	Assessment duration (Note 2)	Scope of assessment (Note 3)	Assessment method (Note 4)	Assessment details (Note 5)
				were relevant to this evaluation. Furthermore, the External Evaluator and executive panel did not engage the Company in any business dealing that would compromise independence.	sustainability frameworks such as the Principles for Sustainable Insurance (PSI), Equator Principles (EPs), Principles for Responsible Banking (PRB) and Principles for Responsible Investment (PRI), to control potential risks and strengthen the Company's core competitive advantages. Through the integration of sustainability and core functions, the Company has been recognized by authoritative international sustainability rating agencies for many years, including the constituents of world and emerging market segment of the DJSI Sustainability Index for more than five years; Top 10% of DJSI Sustainability Yearbook and AA Grade in MSCI ESG Contest for three consecutive years, demonstrating the ambition and concrete actions of the Company to pursue the excellent sustainability governance.
Internal evaluation of 2024 performance for board of directors and functional committees	Once a year	January 1, 2024 ~ December 31, 2024	Board of directors and functional committees (including Audit Committee, Remuneration Committee, Corporate Governance and Nomination Committee and Risk Management Committee)	<p>◆ The board of directors, each functional committee members and board meeting organizers were invited to conduct assessments on the board's and each functional committee's performance.</p> <p>◆ Performance of the board and functional committees was then assigned one of three ratings: Above Standard, Standard, and Substandard.</p> <p>Results of the above performance assessment will be submitted to the board of directors for discussion and approval.</p>	<p>Internal assessment of Board of Directors performance covered five main aspects:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the Company's operations.</li> <li>2. Improvement of Board of Director's decision quality.</li> <li>3. Composition and structure of the board of directors.</li> <li>4. Election and ongoing education of directors.</li> <li>5. Internal control.</li> </ol> <p>Internal assessment of functional committees performance covered five main aspects:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the Company's operations.</li> <li>2. Awareness of the responsibilities of functional committees.</li> <li>3. Improvement of functional committee's decision quality.</li> <li>4. Composition of functional committees and selection of members.</li> <li>5. Internal control.</li> </ol> <p>In the internal performance evaluation of the Board of Directors and each functional committee of the Company in 2024, after deducting the part of the "qualitative measurement indicators" in the five major dimensions that was not applicable in 2024 (i.e., Board of Directors Indicator 25), the remaining parts were completed by self-evaluation by all directors and members of each functional committee. The "quantitative measurement indicators" were calculated by the Board of Directors' meeting unit based on the quantitative indicator data, and the achievement rate of all measurement indicators was calculated by the Board of Directors' meeting unit. In 2024, the internal performance evaluation results of the Company's Board of Directors, Audit Committee, Remuneration Committee, Corporate Governance and Nomination Committee and Risk Management Committee all exceeded the standards and were submitted to the Company's Board of Directors for discussion and approval on January 21, 2025.</p>

	Assessment cycle (Note 1)	Assessment duration (Note 2)	Scope of assessment (Note 3)	Assessment method (Note 4)	Assessment details (Note 5)
External evaluation of 2024 performance for Individual directors	Once a year	January 1, 2024 ~ December 31, 2024	Individual directors (including independent directors) who have served as directors (including independent directors) of the Company for three months or more during the year, and are still in office at the time of the assessment	◆ Board member self-assessment: Self-assessments are performed using assessment indicators based on information provided by the management. ◆ Independent directors' review: Directors' self-assessments are reviewed by independent directors using appropriate assessment indicators.	Individual director performance assessment covered the following aspects: 1. Director's awareness toward the Company's goals and missions. 2. Director's awareness to duties. 3. Level of participation in the Company's operations. 4. Management and communication of internal relations. 5. Professionalism and ongoing education of directors. 6. Supervision over corporate finance and operations. 7. Supervision over corporate internal audit, internal control, risk management and compliance. 8. Company credit rating. 9. Fulfillment of corporate sustainability (CS). Individual director performance assessment should combine with internal control and risk assessment indicators. According to "Cathay Financial Holdings Co., Ltd., Director Compensation Guidelines", remuneration will not be paid to directors that fail the annual individual director performance assessment. The results of director performance assessment were determined to be "Pass" for all the directors in 2024.

Note 1: Represents the frequency of board performance evaluation, e.g.: once a year.

Note 2: Represents the duration covered by performance evaluation, e.g.: performance of the board of directors between January 1 and December 31, 2024, was assessed.

Note 3: The scope of assessment covers performance of the board as a whole, the individual directors and functional committees.

Note 4: Assessment methods include: board internal self-assessment, director self-assessment, peer assessment, assessment by external institution or expert, and other methods as deemed appropriate.

Note 5: Assessment details, by scope of assessment, include at least the following:

- (1) Board performance assessment: board's participation in the Company's operations, the quality of board's decisions, the board's composition, election and ongoing education of board members, and enforcement of internal control.
- (2) Director individual performance assessment: director's awareness toward the Company's goals and missions, awareness to duties, level of participation in the Company's operations, maintenance of internal relations and communication, professionalism and ongoing education, and enforcement of internal control.
- (3) Performance assessment for functional committees: participation in the Company's operations, awareness to duties, quality of committee's decisions, composition and member selection, and enforcement of internal control.

4. Enhancements to the functionality of the board of directors in the current and the most recent year (e.g. establishment of an Audit Committee, improvement of information transparency etc), and the progress of such enhancements:

#### ■ Strengthen the composition and functions of the Board of Directors

Board of Directors: The Company adopts the "Candidate Nomination System." If shareholders holding more than 1% of the total issued shares of the Company do not propose a list of director candidates, all the board candidates are nominated through the "Corporate Governance and Nomination Committee." After reaching a board resolution, the list is sent to the shareholders' meeting for election. The Board consists of more than ten directors, and each of the directors has extensive experience and expertise in the fields of finance, commerce, digital finance, digital information, overseas markets, M&A, and risk management. Through the involvement of the external and independent directors in the Company's Board of Directors, in addition to providing valuable advice on the Company's long-term development strategies, the external directors also play the role of objective supervision and monitoring based on past experience, thus contributing to the Company's enhanced independence of the board of directors. Mr. Feng-Chiang Miao, Chairman of MiTAC Holdings, and Mr. Edward Yung-Do Way, former CEO of Deloitte Taiwan, were newly elected as independent directors for the 6th Board of Directors, whose presence added independence to the Board of Directors.



Furthermore, election for the 7th Board of Directors was completed in 2019, during which said two independent directors were re-elected and the number of independent director seats was increased from three to four, and two of which were taken up by new independent directors, Ms. Li-Ling Wang and Mr. Tang-Chieh Wu, whose professional background and knowledge in insurance, securities, risk management, finance and banking help upgrade the Board's independence effectively. The 8th board of directors election was completed on June 17, 2022, and the number of independent directors was increased from 4 to 5. The new independent director, Pei-Pei Yu has professional experience and knowledge in banking, securities, corporate management and finance. In 2023, the number of female directors increased from 2 to 3. The new director, Grace Chen, has experience and knowledge in financial holding, banking, and financial management, which effectively improved the diversity of the company's board of directors and the effectiveness of corporate governance. (For the diversity of the Company's Board members, please refer to the following for details: "Directors and Supervisors Information (II) / II. Diversity and independence of the Board of Directors / (I) Diversity of Board of Directors" and "Status of Corporate Governance, deviation and causes of deviation from Corporate Governance Best-Practice Principles for Financial Holding Companies / II. Composition and Responsibilities of Board of Directors / (I) Whether the Board of Directors has set forth the diversity policy and specific management goals? / Implementation / Summary Descriptions").

**Functional Committees:** In order to strengthen the professional functions of the Board of Directors and to be in line with international practices, the Company has established the "Audit Committee," "Remuneration Committee," "Corporate Governance and Nomination Committee" and "Risk Management Committee." The "Audit Committee" assists the Board of Directors in making important decisions through its professional division of work and independent and detached positions. The "Remuneration Committee" provides professional opinions and important resolutions on the performance evaluation of directors and managers, the formulation and revision of the remuneration standards, and the remuneration of directors and managers, in order to effectively establish the remuneration and performance evaluation system for directors and managers, and thereby enhance the Company's operational performance. Furthermore, through the "Corporate Governance and Nomination Committee", the functions of the nominating board candidates, constructing the organizational frameworks of respective functional committees, and reviewing board operation related regulations have been performed, in the hope of enhancing board effectiveness. Since the establishment of the said committee, the following mechanisms regarding board operations have been added: "The Company shall arrange orientation for the board of directors taking up the post for the first time", the inclusion of "The Evaluation of the Functional Committee's Performance", the setup of "Chief Corporate Governance Officer", and the addition of "Standard Operating Procedures for Resolving Directors' Requests". The "Risk Management Committee" reviews the Company's "Risk Management Policy and Guidelines", "Annual Risk Limit or Amounts Approved by the Board of Directors", and "Risk Management Business Execution" based on its professional division of work and independent and detached positions, and submits the proposals by the Committee to the Board of Directors for resolutions, to effectively strengthen the Company's risk management function. In addition, to achieve the Company's sustainable development goals and strengthen sustainable governance, the Company established the "Corporate Sustainability Committee" on January 1, 2025. The Committee's responsibilities include: review the Company's sustainable development-related policies, systems, strategic directions, annual plans and sustainability reports; and supervise the Company's sustainable strategies, annual plans and the implementation effectiveness of project activities.

**Chief Corporate Governance Officer:** In 2018, the board of directors approved a resolution to create the position of "Corporate Governance Officer" to further enforce the corporate governance framework, and the position is assumed by the head of Administration

Division (executive vice president grade). In January 2019, the board of directors resolved to adjust prerequisites for the “Chief Corporate Governance Officer,” limiting the role only to those qualified as head of legal affairs, shareholder service, meeting, general administration or corporate governance for at least three years in a finance-related institution or public company. Main responsibilities of the Chief Corporate Governance Officer include: “handling of board meeting and shareholder meeting affairs,” “preparation of board meeting and shareholder minute,” “assisting directors with duty and ongoing education,” “providing directors with the information needed to execute duty,” “assisting directors with compliance affairs,” and “other matters specified by law, the Articles of Incorporation or contracts.” In addition, to assist the directors in their performance of duties and to improve the efficiency of the board of directors, the Company has approved the establishment of the “Standard Operating Procedures for Resolving Directors’ Requests” through resolution of the board of directors in March 2019, in order to provide sufficient support to the directors. According to the provisions of the procedure, all directors of the Company shall be able to obtain assistance from the Chief Corporate Governance Officer in order to ensure that the procedure of board of directors and all applicable laws and regulations are complied by all directors as well as to ensure proper information communication between members of the board of directors and between directors and the management department. Furthermore, after the Chief Corporate Governance Officer receives requests from a director, unless processing time is further specified, it is necessary to coordinate relevant units to handle the request timely within two business days. After relevant units complete the handling of the request, it is necessary to report to the director immediately and to report the handling status to the Chief Corporate Governance Officer. In addition to providing information and documents necessary for directors to perform duties in order to promptly assist the directors to perform duties, the Chief Corporate Governance Officer of the Company shall also ensure that the information communication between the members of the board of directors and between directors and the management department. Furthermore, it is also necessary to ensure that material information of routine business of the Company, material events and other important matters already confirmed shall be provided to the directors immediately upon the occurrence of such events and matters for their understanding.

Progress of the Company’s 2024 corporate governance efforts is explained below:

In addition to appointing a “Chief Corporate Governance Officer” for supervising corporate governance affairs on the group level, each department is also required to assign “corporate governance personnel” to oversee corporate governance-related matters within each unit:

- (1) With regards to “Handling Board of Directors and Functional Committees meeting-related matters in accordance with the law (including preparation of minutes),” personnel of the “Legal Department, Administration Division(renamed "Legal and Administration Division" on January 22, 2025) and "Risk Management Division" have been assigned to perform the following:

Seven days before the Board of Directors/Audit/Remuneration/Corporate Governance and Nomination Committee meetings and before the Risk Management Committee meetings, submit the reason for the meeting and sufficient meeting materials to notify each meeting member. The minutes of each meeting shall also be signed or stamped by the chairman and recorder of each meeting, distributed to all meeting members within 20 days after the meeting, and included in the company's important files for safekeeping.

- (2) Responsibilities with regards to “assisting directors with duty and ongoing education, and providing directors with the information needed to execute duty” are assisted by personnel of the “Legal Department, Administration Division,” who perform the following duties:

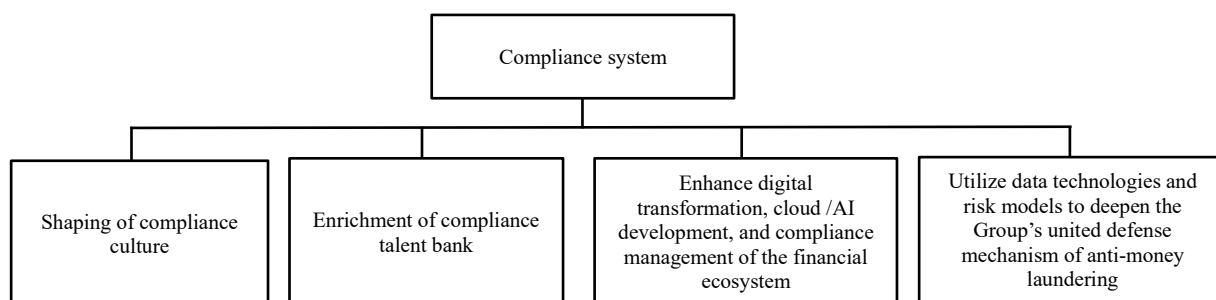
- When the directors of the term onboard, conduct the orientation for first-time directors to introduce them to the Company's business activities, organization and other important issues; provide newly elected directors with a "Director Manual" that guides them through their duties and compliance requirements; and assist directors in the completion of yearly education as needed by the Company and individual directors.
  - Provide directors with the requested information and maintain communication between directors and various department heads; assist in independent directors' duties by arranging communication with the chief internal auditor, the financial statement auditor, other internal departments.
  - Amend corporate governance policies in line with the Company's business activities and the latest regulations, and present them for resolution by the board of directors.
  - Renew "liability insurance for directors and key staff" within the group, and register the required corporate information or changes thereof with the authority before deadline.
- (3) In the section on "Handling shareholder meeting-related matters in accordance with the law (including preparing minutes)", the "Legal Department, Administration Division" will coordinate the following matters and entrust "Cathay Securities" to handle stock affairs-related matters:
- Prepare and convene shareholder meetings, produce minutes, oversee share administration affairs, and provide adequate information to shareholders to ensure that their interests are soundly protected. Since 2022, the Company's regular shareholders' meetings adopt the hybrid shareholders' meeting to implement the shareholder activism.

The Chief Corporate Governance Officer training situation for 2024 is as follows:

Course date		Exam Administrator	Course name	Course hours	Total number of training hours for the current year
From	To				
20240326	20240326	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	How to connect with international carbon trading and promote corporate innovation	3.0	19.0
20240417	20240417	Corporate Operating and Sustainability Association	Corporate Sustainability and Net Zero Strategy in the Climate Change Era	3.0	
20240425	20240425	Taiwan Institute for Sustainable Energy (TAISE)	36th TCCS Board of Directors Meeting and CEO Seminar	2.0	
20240529	20240529	Corporate Operating and Sustainability Association	ESG Sustainability and Carbon Emission Challenges	3.0	
20240712	20240712	Institute of Financial Law and Crime Prevention	2024 2nd Phase Corporate Governance Best Practice Workshop - Fair Customer Treatment Principles for Financial Service Industries	3.0	
20241001	20241001	Insurance Bureau, Financial Supervisory Commission	2024 Insurance Industry Corporate Governance Seminar	5.0	

Since June 15, 2007, the Company has been purchasing "liability insurance for directors and key staff" to protect itself against the liabilities of directors, supervisors and key staff of the Company and subsidiaries over the course of their duties. Terms of this insurance policy are reviewed on a yearly basis, and since 2017, main details such as the sum assured, the scope of coverage and premium rate are reported to the upcoming board meeting after annual renewal. This insurance exists to reduce the amount of risk borne by directors, supervisors and the Company, as well as to enforce the corporate governance system.

## ■ Enhancement of compliance system



Cathay Financial Holdings has had a Compliance Dept. established since 2015 to enforce compliance systems within the Group. The Department was upgraded to a division-level unit in 2025. It is dedicated to enhancing compliance culture by organizing relevant training and checking compliance in business conduct. The department also reports to the board of directors and the Audit Committee every six months on the Group's compliance progress. Cathay Financial Holdings places great emphasis on enhancing compliance awareness and knowledge among employees to shape a compliance culture capable of reacting to rapid changes in the global financial environment. The Company organizes a broad variety of compliance training for different employees that cover basic knowledge, business-specific topics and the latest local and foreign financial supervisory trends. These training courses promote robust risk management practices as well as compliance awareness among employees.

In response to the AML/CTF trends around the world, Cathay Financial Holdings has adopted a "risk-based" approach towards enhancing its AML/CTF system, and continues to align practices with the rest of the world through overseas offices. Subsidiaries of the Group have established dedicated units and committees to combat money laundering and terrorism financing since 2015. By shaping a compliance culture from within, the Group aims to escalate its AML/CTF efforts and enforce consensus and common understanding amongst employees. Meanwhile, practices such as training of technology / compliance / AML/CTF talents, the timely updating of laws, and regular review of current affairs are being adopted to promote proper AML/CTF awareness.

In addition, the Company continues to supervise the Group's compliance with the Foreign Account Tax Compliance Act (FATCA) and Common Report Standard (CRS). A Whistleblower System has been implemented whereas supervisory efforts are being committed to ensure completion of compliance risk assessment report across subsidiaries, compliance with regulations and the authority's instructions on the group level, as well as development and implementation of a robust compliance system.

## ■ Enforcement of corporate governance

The Company has been actively making and amending policies to more effectively support corporate governance efforts, including:

Amended "Procedure for Election of Directors" of the Company to simplify the operation procedure for the director candidate nominated shareholders in order to protect the interests of shareholders.

To promote the effectiveness of corporate governance, the Company has formulated the "Guidelines for the Establishment of the Board of Directors", integrating the current provisions on the number, composition, term of office, and by-election of vacancies of the Board of Directors to facilitate compliance. The Company's "Corporate Governance Best Practice Principles" was revised to include a new rule that "members of the Board of Directors and functional committees must attend at least 80% of the Board of Directors and functional committees each year" to ensure that directors' responsibilities are fully implemented. In addition, in order to facilitate the board members to supervise the company's sustainable development goals, management policies and specific plans and other related issues, the "Organizational Rules for Corporate Sustainability Committee" (effective January 1, 2025) was formulated, the original "Corporate Sustainability Committee" was upgraded to a functional committee under the board of directors, and the "Board of Directors and Functional Committee Performance Evaluation

Method" was revised to add relevant performance evaluation indicators for the "Corporate Sustainability Committee" (effective January 1, 2025). In addition, in accordance with relevant external regulations and self-regulatory norms, the company's board of directors' meeting procedures and functional committee organizational rules were revised to facilitate the conduct of meeting procedures.

The Company has implemented "Business Integrity Policy and Code of Conduct," "Business Integrity Procedures and Behavioral Guidelines," "Ethical Behavior Guidelines" and "Employee Code of Conduct" to serve as standards for employees' ethical behavior and to provide stakeholders with a better understanding of the Company's ethical standards, and thereby ensure the sustainability of future businesses. These codes of conduct specifically require employees to comply with laws and integrity principles, avoid conflict of interest, and refrain from bribery and illicit personal gains when performing business activities.

The Company was the first financial holding company to implement a group-wide whistleblower system that supports business ethics, integrity and sustainability by encouraging employees to report any conduct that is illegal or in violation of the Ethical Behavior Guidelines or Business Integrity Policy and Code of Conduct. "Cathay Group Whistleblower System" and the Company's "Unethical and Dishonest Conduct Reporting Policy" have been implemented to create whistleblower channels that insiders and outsiders may use to uncover illicit conduct without compromising their legal rights. Person-in-charge and employees of the Company may report to the board of directors, the audit committee, the audit unit, the compliance unit and personnel of appropriate department upon discovering any act of corruption or bribery. The Company also has the responsibility to maintain the secrecy of the informant's identity and details of the misconduct report. All reported cases shall be thoroughly investigated by the audit unit; any established cases of misconduct shall be referred to the Human Resources Div. and disciplined according to the Company's policies. Relevant details are to be disclosed over the Company's Intranet. The Company organized multiple trainings on integrity-related issues in 2024 (e.g.: annual training on integrity and ethics, orientation training on compliance, compliance officer conference and AML education and training). These sessions received a total of 1,125 enrollments and delivered 1,605 person-hours of training.

In response to the establishment of the Board of Directors-level "Corporate Sustainability Committee" on January 1, 2025, and in line with the Company's sustainable governance structure and practical needs, the Board of Directors approved the revision of the Company's "Corporate Sustainability Best Practice Principles" to strengthen corporate sustainability.

## ■ Improvement of information transparency

The Company has "Investors," "Corporate Governance," and "Corporate Sustainability" sections created on its website to improve information transparency by providing financial, business and corporate governance-related information in both Chinese and English.

Furthermore, the Company has an "Investor Relations Department" in place to enhance investors' appreciation of the Company's values and establish communication with investors. The department holds regular investor seminars to address investors' queries and enforce their rights to the Company's financial and business information.

Furthermore, in the fourth quarter of 2024, the Company, together with its subsidiaries "Cathay Life Insurance" and "Cathay United Bank," participated in the "CG6014 (2023) Corporate Governance Evaluation" organized by the Chinese Corporate Governance Association and once again received the highest certification level of "Excellence" (valid until 2026). The Company continues to enhance its corporate governance mechanisms based on feedback from the evaluation. In addition, the Company has been selected as a constituent of the highest-level "Dow Jones World Index" for seven consecutive years, the "Dow Jones Sustainability Emerging Markets Index" for ten consecutive years, and is also included in the "Taiwan Corporate Governance 100 Index" and the "Taiwan Sustainability Index," demonstrating the Group's outstanding performance in information transparency, corporate governance, and sustainability.

The Company has issued a corporate sustainability report since 2011. The "2023 Sustainability Report of Cathay Financial Holdings" was published in July 2024. The report presented the

performance of the Company in economic, environmental (E), social (S), and governance (G) from January 1 to December 31, 2023. The report is intended to help all stakeholders and the public understand the efforts made by the Company on all issues. The Chinese and English versions of the sustainability reports of Cathay Financial Holdings over the years can be downloaded from the official website of the company under the “Corporate Sustainability” section.

■ **Enhancement of communication channels with stakeholders (including: investors / shareholders, employees, customers and suppliers)**

The Company complies with the AA1000 Stakeholder Engagement Standard for the identification of the nine major types of stakeholders, including the government, customers, investors, employees, public associations, media, communities, suppliers, and youth. The Company has established diverse communication channels and regularly communicates with its stakeholders. In addition, a material issues matrix is drawn every year to set short, medium, and long-term goals to respond to important corporate sustainability issues of stakeholders. The Company reports its “communications with stakeholders” to the Board of Directors every year, and discloses the communications with stakeholders in the “Corporate Sustainability” section of the Company's website.

The Company has a “Stakeholders” section created on its webpage to serve as a communication channel with stakeholders. It is a transparent and effective means for the Company to communicate with stakeholders and is critical for corporate sustainability.

■ **Implementing sustainability governance**

Cathay Financial Holdings has continued to strengthen mechanisms related to corporate governance. Achievements in 2024 include: The Board of Directors approved the upgrading of the former "Corporate Sustainability Committee" to a functional committee under the Board of Directors, effective January 1, 2025, to strengthen the Board of Directors' oversight capabilities; Based on the content of the TIPS outsourcing self-assessment report during the validity period of the 2023 Grade A-level certification period, the company improved the trademark management system and process. In accordance with the recommendations for obtaining the A-level certification of the Taiwan Intellectual Property Management System (TIPS) in 2024, the company will continue to optimize the trademark management system and operating procedures in the future.

## **(II) Functionality of the Audit Committee (Table 2-1)**

The Company's Audit Committee consists entirely of independent directors, whose responsibilities are to assist the board with corporate governance, including:

1. Establishment or amendment of internal control system and procedures for asset acquisition / disposal, derivative trading and major financial / business activities, and evaluation of the internal control system.
2. Matters involving directors' personal interests.
3. Cases of transactions with stakeholders or counterparties subject to observation for the transaction pursuant to laws or the Company's related regulations.
4. Major transaction of assets or derivatives.
5. Offering, issuance, or private placement of securities with equity characteristics.
6. Appointment, dismissal and remuneration of financial statement auditor; appointment and dismissal of financial, accounting and internal audit officers.
7. Annual and second-quarter financial reports signed or sealed by Chairman, President and Chief Account.
8. Business report, earnings appropriation or loss reimbursement proposal.
9. The powers to be exercised by the M&A Special Committee pursuant to laws.
10. Other issues deemed material by the Company or the authority.

The Audit Committee convenes meetings on a quarterly basis, and has been empowered to request for the presence of any managerial staff, internal auditor, CPA, legal advisor, or any personnel deemed relevant to provide the necessary information.

**The Company's Audit Committee convened 6 meetings in 2024. The main reviewed matters are as follows:**

1. 2023 "Business Report, Financial Statements and Earnings Distribution," "Declaration of Internal Control System" and "Audit Committee Operation Status Report."
2. 2024 "Q1, first half of the year and Q1-Q3 financial statements."
3. 2025 "Audit Plan" and "Appointment of Deloitte Touche Tohmatsu CPA Ltd. to handle financial and tax audits and other matters."
4. Revised of the "Internal Control System of the Company" and the "Principles for Granting of Credit or Transactions between the Company and its Subsidiaries and Stakeholders".
5. "Internal control system" and management optimization measures.
6. To appoint Cathay Securities to handle stock affairs.
7. Establish the "Corporate Sustainability Committee," the "Organizational Rules" of the Committee, and to appoint the members of the Committee.
8. "Planning and handling long-term fund raising", "Approving the Chief Auditor assessment" and "Personnel matters of the Company".
9. Increase the "Group credit and investment limit" of the Company for "Far East Horizon Group".
10. "Planning to process the issuance of Unsecured corporate bonds", "Purchasing digital development personnel to assist in project expansion", "The company and 10 subsidiaries including Cathay Securities plan to purchase computer operating software licenses from Microsoft Ireland Operations Limited", "The company and 10 subsidiaries including Cathay Life Insurance entrust Sun Net Technology to maintain the Cathay Learning Network" and "Renewing the lease of the head office building and financial center office space from the subsidiary Cathay Life Insurance".

### **■ Financial Report Review**

The financial statements of Cathay Financial Holdings covering the period of 2023, and the business report and earning distribution plan have been prepared and submitted by the Board of

Directors of the Company. The financial statements were audited by Shu-Wan Lin CPA, and Hsu-Jan Cheng CPA, of Deloitte & Touche, who issued an auditors' report. In accordance with Article 14-4 of Securities Trading Act and Article 219 of Corporate Act, the preceding disclosed business reports, financial statements, and surplus distribution cases have been commissioned by the Company's Audit Committee to Deloitte & Touche for inspection, and no inappropriateness was found. After passing the review by the Company's Audit Committee on April 30, 2024, the Audit Committee's inspection report was presented according to provisions and was submitted to the 2024 annual shareholders' meeting.

■ The assessment of the effectiveness of the internal control system

The "Statement of Internal Control System" for 2024 was approved by all members of the Audit Committee on March 5, 2025.

■ Commissioning of the certifying CPA

Appointment of financial statement auditor is renewed once a year. The resumes (including relevant experience, professional qualifications, and main clients) and shareholding situation of CPAs are reviewed by the Audit Committee and the Board. Further, the Audit Committee and the Board shall review the "Impartiality and Independence Declaration" presented by certifying CPAs in order to confirm the provisions in The Norm of Professional Ethics for Certified public Accountant of the Republic of China No. 10 Bulletin-"Integrity, Fairness, Objectivity, and Independence" are not violated and there is no other financial interest and business relationship, as well as assessing the independence of certifying accountants in accordance with Paragraph 1 and Paragraph 2 of Article 47 of the "Certified Public Accountant Act" (for example, the auditors are not currently employed by the company for regular work; receiving fixed salary or worked as directors, supervisors and not performing management consulting or other non-auditing businesses to the extent of violating independence, etc.). The FSC aims to elevate the quality of the CPA audit of the financial statements, it encourages listed companies to reference the Audit Quality Indicators (AQI) provided by the CPA firms and adhering to the above-mentioned evaluation procedures in ensuring the independence, suitability and professionalism of the CPAs engaged by the Company. The Audit Committee (March 4, 2024) and the Board (March 5, 2024) approved commissioning Deloitte Taiwan to handle the Company's financial and tax compliance audit 2024, with CPAs Shu-Wan Lin and Shih-Ran Cheng serving as certifying CPAs. After an assessment, both CPAs were found to be qualified in terms of independence, eligibility, and professionalism. The Audit Committee (March 5, 2025) and the Board (March 6, 2025) approved commissioning Deloitte Taiwan to handle the Company's financial and tax compliance audit 2025, with CPAs Shu-Wan Lin and Shih-Ran Cheng serving as certifying CPAs. After an assessment, both CPAs were found to be qualified in terms of independence, eligibility, and professionalism.

**The 6th Audit Committee (data range: 2024.1.1-2024.12.31)**

A total of 6 Audit Committee meetings (A) were held in the last year; independent directors' attendance records are summarized below:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note1, Note2)	Remarks
Independent Director (Convener of Audit Committee)	Edward Yung- Do Way	6	0	100%	-
Independent Director (Member of Audit Committee)	Feng- Chiang Miau	6	0	100%	
Independent Director (Member of Audit Committee)	Li-Ling Wang	6	0	100%	
Independent Director (Member of Audit Committee)	Tang- Chieh	6	0	100%	



Committee)	Wu				
Independent Director (Member of Audit Committee)	Pei-Pei Yu	6	0	100%	

Note 1 : Where a specific independent director may be relieved from duties before the end of the fiscal year, specify the date of discharge in the “Remark” section. Actual attendance rate (%) was calculated based on the number of board meetings held during each director’s term and the number of meetings actually attended by that director.

Note 2 : Where a reelection may be held for filling the vacancies of independent directors before the end of the fiscal year, list out both the new and the discharged independent directors, and specify if they are the former independent directors, or newly elected, re-elected and the date of the reelection in the “Remark” section. Actual attendance rate (%) was calculated on the basis of the number of meetings held by the audit committee during each independent director’s term and the number of meetings actually attended by that independent director.

※ Other items to be stated:

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

(1)Explanation to matters listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee	Motion and follow-up	The circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions unapproved by the Audit Committee but approved by more than two-thirds of directors
The 14 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 1/ 30	1. Approved the Chief Auditor’s performance evaluation.	✓	✗
	Independent directors’ dissenting opinions, qualified opinions, or significant recommendations: None.		
	Audit Committee resolution: Motion was approved as proposed by all members of the Audit Committee.		
	The Company’s action taken responding to the Audit Committee’s opinion: submitted to the board meeting on January 30, 2024 for resolutions, and approved by all directors present.		
The 15 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 3/ 4	1. Review of 2023 financial statements.	✓	✗
	2. Approved appointment of financial statement auditors and review of audit remuneration for 2024.	✓	✗
	3. Presentation of the Company’s 2023 “Declaration of Internal Control System.”	✓	✗
	4. Approved the proposal to appoint Cathay Securities to handle stock affairs.	✓	✗
	5. Amendments to the “Principles for Granting of Credit or Transactions between the Company and its Subsidiaries and Stakeholders”.	✓	✗
	Independent directors’ dissenting opinions, qualified opinions, or significant recommendations: None.		
	Audit Committee resolution: Motion was approved as proposed by all members of the Audit Committee.		
	The Company’s action taken responding to the Audit Committee’s opinion: submitted		

Audit Committee	Motion and follow-up	The circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions unapproved by the Audit Committee but approved by more than two-thirds of directors
	to the board meeting on March 5, 2024 for resolutions, and approved by all directors present.		
The 16 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 4/ 30	1. 2023 Business Report.	✓	✗
	2. 2023 Earnings Distribution.	✓	✗
	3. Audit Committee's Review Report on the Company's 2023 Financial Statements.	✓	✗
	4. Proposal of the Company's long-term funding plan.	✓	✗
	5. Proposal on submission of the "2023 Audit Committee Annual Operation Status Report" at the shareholders' meeting.	✓	✗
	Independent directors' dissenting opinions, qualified opinions, or significant recommendations: None. Audit Committee resolution: Motion was approved as proposed by all members of the Audit Committee.		
	The Company's action taken responding to the Audit Committee's opinion: submitted to the board meeting on April 30, 2024 for resolutions, and approved by all directors present.		
The 17 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 5/ 14	1. Review of the Company's 2024 Q1 financial statements.	✓	✗
	2. "Internal control system" and management optimization measures.	✓	✗
	Independent directors' dissenting opinions, qualified opinions, or significant recommendations: None. Audit Committee resolution: ■ Motion 1 was approved as proposed by all members of the Audit Committee. ■ Motion 2 was approved as proposed by all members of the Audit Committee after the corrections.		
	The Company's action taken responding to the Audit Committee's opinion: submitted to the board meeting on May 15, 2024 for resolutions, and the results are as below: ■ Motion 1: Passed as proposed by all attending directors. ■ Motion 2: All attending directors unanimously approved the proposal as amended after corrections.		
The 18 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 8/ 14	1. Review of the Company's 2024 first half financial statements.	✓	✗
	2. The proposal on the Company's issuance of Unsecured corporate bonds.	✓	✗
	Independent directors' dissenting opinions, qualified opinions, or significant recommendations: None. Audit Committee resolution: Motion was approved as proposed by all members of the Audit Committee.		
	The Company's action taken responding to the Audit Committee's opinion: submitted to the board meeting on August 15, 2024 for resolutions, and approved by all directors present.		

Audit Committee	Motion and follow-up	The circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions unapproved by the Audit Committee but approved by more than two-thirds of directors
The 19 <sup>th</sup> meeting of the 6 <sup>th</sup> term 2024/ 11/ 7	1. Review of the Company's 2024 Q1~Q3 financial statements.	✓	✗
	2. Presentation of "2025 Audit Plan" proposed by the Company's Auditing Division.	✓	✗
	3. Establish the Company's "Corporate Sustainability Committee," formulate its "Organizational Rules," and appoint the committee members.	✓	✗
	4. Amendments to the Company's "Internal Control System."	✓	✗
	5. Proposal to increase the "Group credit and investment limit" of the Company for "Far East Horizon Group".	✓	✗
	6. Approved personnel matters of the Company.	✓	✗
	7. Approved the Company and 10 subsidiaries including Cathay Securities intend to purchase computer operating software licenses from Microsoft Ireland Operations Limited	✓	✗
	8. Approved the Company and 10 subsidiaries including Cathay Life Insurance entrust Sun Net Technologies Co, Ltd. to maintain the Cathay Learning Network.	✓	✗
	9. Approved the Company intends to renew the lease of the head office building and financial center office space from its subsidiary Cathay Life Insurance.	✓	✗
	10. The Company intends to purchase digital development manpower to assist in project expansion.	✓	✗
<p>Independent directors' dissenting opinions, qualified opinions, or significant recommendations: None.</p> <p>Audit Committee resolution:</p> <p>■ For Motion 3, except for Independent Director Edward Yung-Do Way and Independent Director Tang-Chieh Wu who recused themselves, all other attending independent directors agreed to approve the proposal as presented.</p> <p>■ Other Motion was approved as proposed by all members of the Audit Committee.</p> <p>The Company's action taken responding to the Audit Committee's opinion: submitted to the board meeting on November 8, 2024 for resolutions, and the results are as below:</p> <p>■ For Motion 2, Director Chang-Ken Lee and Grace Chen recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending directors.</p> <p>■ For Motion 3, except for Independent Director Edward Yung-Do Way, Independent Director Tang-Chieh Wu and Director Chang-Ken Lee who recused themselves, all other attending directors agreed to approve the proposal as presented.</p> <p>■ With the exception of Director Andrew Ming-Jian Kuo, who had recused from the motion, motion 5 was passed as proposed by the remaining attending directors.</p> <p>■ For Motion 6, Director Chang-Ken Lee recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending directors.</p> <p>■ For Motion 10, Director Hong-Tu Tsai recused from the motion, and the motion was</p>			

Audit Committee	Motion and follow-up	The circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions unapproved by the Audit Committee but approved by more than two-thirds of directors
	approved as proposed based on the consents of all of the remaining attending directors. ■ For other Motion : Passed as proposed by all attending directors.		

(2) Aside from said circumstances, resolution(s) not approved by the audit committee but receiving the consent of two thirds of the Board of Directors: None.

2. In instances where an independent director recused himself/herself due to a conflict of interest, the minutes shall clearly state the independent director's name, contents of the motion and resolution thereof, reason for not voting and actual voting counts:

Independent Director Name	Motion	Reasons for avoiding conflict of interest	Participation in voting process
Edward Yung-Do Way, Tang-Chieh Wu	Establish the "Corporate Sustainability Committee," the "Organizational Rules" of the Committee, and to appoint the members of the Committee.	The motion concerned the interest of independent directors listed on the left	Disassociated from discussion and voting

3. Communication between independent directors and internal/external auditors (e.g. discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome):

■ Communication between independent directors and external auditors:

- (1) The Audit Committee of the Company consists of all independent directors of the Company. The Audit Committee convenes meetings periodically and also engages in communication and discussion with the CPAs on proposals related to financial affairs of the Company (at least four times annually in principle). The Audit Committee follows the "Audit Committee Organizational Principles" to audit various reports (e.g. business report, financial statements and earnings appropriation report) that the board of directors has prepared for the shareholder meeting, to which the Audit Committee issues its own audit report.
- (2) In addition to the Audit Committee's meeting, one financial statements audit result seminar is convened periodically on an annual basis. The CPAs independently provide reports to all independent directors and provide explanation on the financial statements audit status and related matters.

■ Communication between independent directors and internal auditors:

- (1) Effectiveness of the Company's internal control system is reviewed (with Declaration of Internal Control System issued) by the Audit Committee. The outcome of which is submitted to the board of directors for the final resolution.
- (2) Establishment and amendment of the Company's "internal audit system and audit standards" were first approved by the Audit Committee and proposed to the board of directors for the final resolution.
- (3) The Company has an Audit Division established directly under the board of directors to oversee organization and responsibilities of the internal audit system. A chief auditor

has been assigned to oversee audit tasks and make quarterly reports to the Audit Committee and the board of directors on the audit progress.

- (4) The Company's Audit Division regularly presents internal audit reports prepared by the Company and subsidiaries to independent directors for review. (The audit report shall first be submitted to independent directors for review if it falls into any of the following categories: 1. Any unethical or improper behavior found during the audit, or whistleblowing of a director, supervisor, or senior management equivalent to executive vice president or higher is found during the audit; 2. The competent authority assigns major cases for audit, and requires the internal audit unit to report the audit results to independent directors directly.)
- (5) The Company's Audit Division constantly keeps track of findings or weaknesses raised by the financial supervisory authority, the CPAs, the internal audit unit and internal departments self-inspection, as well as improvements prompted in the declaration of internal control system. Any progress made on such findings are reported to the Audit Committee and the board of directors in writing.
- (6) At the end of each financial year, the Company's Audit Division prepares audit plans for the upcoming year and submits them for approval by the Audit Committee, followed by the board's resolution.
- (7) The Audit Division follows Article 7 of "Corporate Governance Best-Practice Principles for Financial Holding Companies" and convenes "internal control system defect review seminars" once every six months or whenever deemed necessary, during which independent directors are invited to discuss with internal auditors about defects within the internal control system. Detailed minutes are recorded and presented to the board of directors during meetings.
- (8) Any material contingencies encountered by the Company or subsidiaries is notified to all directors (including independent directors) simultaneously via e-mail as a sound corporate governance practice.
- (9) Any penalty imposed by the authority against the Company or subsidiaries is notified to all directors (including independent directors) immediately via e-mail as a sound corporate governance practice.

**(III) Items disclosed in accordance with the Corporate Governance Best-Practice Principles for Financial Holding Companies**

Please visit: The Company's website (<http://www.cathayholdings.com>) and the Market Observation Post System.

**(IV) Status of Corporate Governance, deviation and causes of deviation from Corporate Governance Best-Practice Principles for Financial Holding Companies (Table 2-2)**

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
I. Equity structure and shareholders' rights of financial holding company (I) Whether the financial holding company has defined some internal operating procedure to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure?	✓		The Company's website discloses information such as spokesperson, investor service contact and link to the "Contact Us" mailbox. Shareholders may express opinions through e-mail, telephone or fax, and the Company assigns dedicated employees to handle shareholders' recommendations, queries, disputes and litigations according to "Cathay Financial Holding Co., Ltd. Shareholder Recommendation, Query, Dispute and Litigation Handling Policy."	No significant difference
(II) Is the financial holding company constantly informed of the identities of its major shareholders and the ultimate controller?	✓		The Company reports changes in share ownership of major shareholders on a monthly basis, and compares details of the shareholder registry on every book closure date for timely monitoring of major shareholders' ownership position.	No significant difference
(III) Whether the financial holding company establishes or implements some risk control and firewall mechanisms between the Company and its affiliates?	✓		The Company had already established "Cathay Financial Holding Co., Ltd. and Subsidiaries Firewall Policy" in June 2006 to prevent conflict of interest arising from business transactions, joint marketing activities, information exchange, share of operating equipment, premise or personnel, or internal referral of financial products or services between the Company, its subsidiaries and members of the Group. This policy helps protect the rights of customers and consumers in general.	No significant difference
II. Composition and responsibility of board of directors (I) Does the Board of Directors have a diversity policy and specific management objectives in place?	✓		The Company adopts the "Candidate Nomination System". If shareholders holding more than 1% of the total issued shares of the Company do not propose a list of candidates for directors, all the board candidates are nominated through the "Corporate Governance and Nomination Committee". After reaching a board resolution, the list is sent to the shareholders' meeting for election. According to Paragraph 3, Article 30 of the "Corporate Governance Best Practice Principles", the members of the Board of Directors shall possess the knowledge, skills, and experience necessary for performing their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities: 1. Ability to make operational judgments; 2. Ability to perform accounting and financial analysis; 3. Ability to conduct management administration; 4. Ability to handle crisis management; 5. Knowledge of the industry; 6. An international market perspective; 7. Leadership; 8. Ability to make policy decisions; 9. Risk management knowledge and skills. In order to	No significant difference

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>strengthen corporate governance and facilitate the sound development of the board makeup and structure, in Paragraph 2, Article 30 of the “Corporate Governance Best Practice Principles”, the policy of “board member diversification” points out that the composition of the Board of Directors shall be determined by giving due consideration to operational structure, business development direction, future trends and other needs, and it is advisable to assess aspects of diversity including but not limited to basic compositions (e.g., gender, age, nationality and race), professional experience (e.g., financial holding, banking, insurance, securities, industry and technology) and professional knowledge and skills (e.g., business, finance, accounting, law, marketing and digital technology).</p> <p>To effectively play the role of a financial holding company in supervising and managing its subsidiaries, the Company attaches great importance to the diversity of industry and professionalism of the board members. The goal is that each board of directors should have at least one director with banking, insurance and securities expertise, and directors of different genders should also have at least one seat each; The current Board of Directors has 9, 9 and 7 directors who meet the aforementioned professional diversity goals, and the proportion of 3 female directors, which is in line with the aforementioned diversity policy goals. Please refer to “Information on Directors and Supervisors (II) / II. Diversity and Independence of the Board of Directors / (I) Diversity of the board of directors” and “Implementation of the diversity policy for members of the board of directors of Cathay Financial Holdings” for the implementation of policy on diversity of current board members.</p>	
(II) Is the financial holding company, in addition to establishing the remuneration committee and audit committee, pursuant to laws, willing to voluntarily establish any other functional committees?	✓		<p>The Company has assembled a “Corporate Governance and Nomination Committee” to enhance corporate governance and board functionality. The committee comprises three directors (including two independent directors), whose responsibilities are to: nominate director candidates, verify candidates’ eligibility, review establishment and amendment of board-related policies, develop structures for functional committees, establish / amend Organizational Principles for functional committees, review establishment and amendment of Corporate Governance Best Practice Principles, and perform other tasks instructed by the board of directors. The committee may convene meetings whenever deemed necessary, and is entitled to approach attorney, CPAs or any other experts for consultation on matters pertaining to its responsibilities. For related information, please refer to “Information on Corporate Governance and Nomination Committee Members and its Operation.”</p> <p>In order to strengthen the risk management and the professional competence of the Board of Directors, the Company has established the “Risk Management Committee” composed of three directors (including two independent directors). The Committee is responsible for reviewing the Company’s “Risk Management Policy and Guidelines”, “annual risk appetite or limit approved by the Board of Directors”, “Risk Management Business Execution, which is to be reported to the Board of Directors on a quarterly basis by the Risk Management Division”, “Risk Management Related Proposal to be Reported to the Board of Directors”, and “other matters to be handled by the Committee as instructed by the Board of Directors”. The committee may convene meetings at least once a quarter and whenever deemed necessary, and is entitled to approach attorney,</p>	No significant difference

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>CPAs or any other experts for consultation on matters pertaining to its responsibilities. For related information, please refer to “Information on Risk Management Committee Members and the Operation.”</p> <p>To achieve the Company's sustainable development goals and strengthen sustainable governance, the Company has established the “Corporate Sustainability Committee” since January 1, 2025. The Committee consists of at least three directors (including at least one independent director). The Committee's responsibilities include: review and supervise the ESG strategy committee's report; review the Company's sustainable development-related policies, systems, strategic directions, annual plans and sustainability reports; supervise the Company's sustainable strategies, annual plans and the implementation effectiveness of project activities; and execute other matters handled by the Committee as instructed by the Board of Directors. The committee may convene meetings at least twice a year and whenever deemed necessary, and is entitled to approach attorneys, CPAs or any other experts for consultation on matters pertaining to its responsibilities.</p>	
(III) Has the TWSE/TPEX listed financial holding company established a set of policies and assessment tools for evaluating board performance, and conducted performance evaluation on a yearly basis? Are performance evaluation results reported to the board	✓		<p>The Company established its “Board of Directors Performance Evaluation Policy” on November 5, 2015 based on “Corporate Governance Best-Practice Principles for Financial Holding Companies” and “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,” which outlined performance goals for the purpose of enhancing corporate governance and board performance. The policy was later amended and renamed “Board of Directors and Functional Committees Performance Evaluation Policy” on April 26, 2018 to implement annual internal performance assessments for the board of directors and functional committees (including Audit Committee, Remuneration Committee, Corporate Governance and Nomination Committee, Risk Management Committee). Furthermore, to ensure the independence and effectiveness of board performance evaluation, the Company has been engaging professional, independent institutions, experts or scholars from outside the organization to conduct external performance assessments at least once every three years since 2017. Details of the assessment, including the indicators used, the procedures, target accomplishment rate and interpretation of assessment outcomes, are planned and executed by the external institutions, experts or scholars.</p> <p>In order to supervise directors in fulfilling their duties to improve overall performance and achieve sustainable business management, the Company has “Director Performance Evaluation Guidelines” in place. Indicators used for performance evaluation include: director’s awareness toward the Company’s goals and missions, awareness to duties, level of participation in the Company’s operations, maintenance of internal relations and communication, professionalism and ongoing education, supervision over finance and operations, enforcement of internal audit / control, risk management and compliance, corporate credit rating, and corporate sustainability. Remuneration will not be paid to directors that fail the annual individual director performance assessment.</p> <p>For more information, please see: “Table 2 (2) Execution of Board Performance Evaluation.” There is no material deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies. The Company has disclosed “Board of Directors and Functional Committees Performance Evaluation Policy”</p>	No significant difference



Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			on Market Observation Post System and at its website. Performance evaluation results of the board of directors and functional committees have been disclosed in the annual report and on the website for public access.	
(IV) Does the financial holding company conduct regular assessments regarding the independence of its financial statement auditors?	✓		The Company engages attesting CPAs every year with a one-year engagement. To ensure the independence, competence and professionalism of the Company's attesting CPAs, the Audit Committee and the Board review the Audit Quality Indicators (AQIs, including the five major aspects, namely professionalism, quality control, independence, supervision and innovation), the CPAs' curriculum vitae (including relevant experience, professional qualifications and major clients), and shareholdings. The Company also requires CPAs to present the Statement of Independence to confirm that they have no other financial interests or business relationships in compliance with the provisions of the "Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10: Independence of Auditing and Review." Afterwards, the Company assesses the independence of the CPAs pursuant to each of the subparagraphs of Paragraph 1 and Paragraph 2, Article 47 of the Certified Public Accountant Act (e.g., the CPA is not currently employed by the Company to perform routine work for which he or she receives a fixed salary, or currently serves as a director or supervisor thereof; the CPA does not provide management consulting or other non-attestation services or other non-attesting services that affect his or her independence), and their competence based on their professional capabilities (e.g. conducting audits pursuant to the Audit Standards, not punished by the competent authorities or the CPA Association, and providing the Company with professional opinions regarding new issues).	No significant difference
III. Does the financial holding company assign a sufficient number of competent and appropriate corporate governance personnel and designate a corporate governance officer responsible for corporate governance matters (including but not limited to providing directors and supervisors with the information necessary to perform their duties, assisting directors and supervisors in complying with laws and regulations, handling matters related to board and shareholders' meetings in accordance with the law, preparing meeting minutes, etc.)?	✓		In 2018, the Company's Board of Directors resolved to establish the position of "Corporate Governance Officer," to be held by the Head of the Administration Department (at the Vice President level), in order to strengthen the corporate governance framework. In January 2019, the Board resolved to rename the position as "Chief Corporate Governance Officer." The officer possesses professional qualifications with over three years of experience in legal affairs, shareholder services, meeting management, and other corporate governance-related functions in financial institutions or publicly listed companies. The main responsibilities include: handling matters related to board and shareholders' meetings in accordance with the law, preparing board and shareholders' meeting minutes, assisting directors with onboarding and ongoing education, providing directors with the information needed to perform their duties, assisting directors in complying with laws and regulations, and other matters required by laws, the Articles of Incorporation, or contracts. Furthermore, to support directors in carrying out their duties and enhance board effectiveness, the Board resolved in March 2019 to establish the "Standard Operating Procedures for Handling Directors' Requests" to ensure adequate support for directors. According to these procedures, all directors may seek assistance from the Chief Corporate Governance Officer to ensure compliance with board procedures and applicable laws and to maintain effective communication among board members and between the board and management. Upon receiving a director's request, unless otherwise specified, the officer must coordinate with relevant departments to handle the matter within two business days. Once completed, the responsible department must promptly report back to the director and the Chief Corporate Governance Officer on the handling status. In addition to providing directors with the necessary	No significant difference

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>information and timely support, the Chief Corporate Governance Officer has ensured effective communication among board members and between the board and management. The officer also ensures that major information, significant events, or other important matters related to the Company's daily operations are communicated to directors at the earliest possible time.</p> <p>The implementation status of the Company's corporate governance practices in 2024 is as follows:</p> <p>(1) Regarding the handling of matters related to the Board of Directors and its committees in accordance with the law (including the preparation of meeting minutes), personnel from the Legal Department of the Administration Division and the Risk Management Division are responsible for the following tasks:</p> <p>At least seven days prior to the convening of the Board of Directors, Audit Committee, Remuneration Committee, and Corporate Governance and Nomination Committee meetings, and before the Risk Management Committee meeting, the meeting agenda and sufficient supporting materials are prepared and provided to each committee member. The minutes of each meeting are signed or stamped by the respective chairperson and recorder, distributed to all members within 20 days after the meeting, and properly archived as important company records.</p> <p>(2) Regarding the areas of "assisting directors with onboarding, compliance with laws and regulations, and continuing education, as well as providing information necessary for directors to perform their duties," the personnel from the Legal Department of the Administration Division are responsible for the following tasks</p> <ul style="list-style-type: none"> <li>• Upon the assumption of office by the current board members, an orientation is provided for newly appointed directors, introducing the Company's business, organizational structure, and other important matters. Additionally, a "Director's Handbook" is provided to newly elected directors for their reference to assist with onboarding and compliance with relevant laws and regulations. The Company also supports directors in completing their annual continuing education courses based on the nature of the Company's business and the specific needs of each director.</li> <li>• Provide directors with the necessary company information, ensure smooth communication and interaction between directors and senior management, and assist in arranging meetings between independent directors and the head of internal audit, external auditors, or other internal departments, to facilitate independent directors in the performance of their duties.</li> <li>• Revise the company's internal corporate governance policies in accordance with the company's business scope and the latest relevant laws and regulations on corporate governance, and submit the revisions to the Board of Directors for resolution.</li> <li>• Completed the renewal of the Group's "Directors and Officers Liability Insurance," and ensured that any required corporate registrations or changes to previously registered information were duly filed with the competent authority within the specified deadlines.</li> </ul> <p>(3) Regarding the handling of matters related to shareholders' meetings in accordance with the law (including the preparation of meeting minutes), the Legal Department of the Administration Division is responsible for</p>	

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>coordinating the following tasks and has engaged Cathay Securities to handle shareholder services on its behalf:</p> <ul style="list-style-type: none"> <li>The preparation, convening, and minute-taking of shareholders' meetings, along with other shareholder services, are handled to ensure that shareholders are provided with sufficient information, thereby safeguarding their rights and interests. To promote shareholder activism and facilitate shareholder participation in voting, the Company actively supports the electronic voting system and the nomination system for director and supervisor candidates as promoted by the competent authority. Over the years, the proportion of shares represented by shareholders using electronic voting has consistently exceeded 50% of the shares present at the meetings. Additionally, the Company has adopted the nomination system for director elections since 2016.</li> </ul> <p>The corporate governance officer's continuing education in 2024 can be found under "Corporate Governance Practices / Goals and Performance Evaluation of Measures to Strengthen Board Functions in the Current and Most Recent Fiscal Years (e.g., Establishment of the Audit Committee, Enhancing Information Transparency, etc.) / Enhancing the Composition and Function of the Board."</p>	
IV. Has the financial holding company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers, etc.)?	✓		<p>In addition to spokesperson and deputy spokesperson, the Company also has investor relations, shareholder service and customer service departments available to facilitate two-way communication with shareholders, customers and stakeholders. "Stakeholders," "Investor Relations" and "Corporate Sustainability" sections have been created on the Company's website to deliver important information and communicate with the outside world, whereas "Chairman's Mailbox" and "Internal Communication Network" have been made available on the Intranet for communication between employees and line managers.</p> <p>The Company prepares a material issues matrix on a yearly basis, and uses it to set short / medium / long term goals and respond to CSR issues that are of concern to stakeholders.</p>	No significant difference
V. Information Disclosure (I) Establishment of a corporate website to disclose information concerning financial affairs and corporate governance?	✓		<p>1. The Company's website has a section called "About Cathay Financial Holdings" that discloses the Company's history, business philosophy, corporate vision, competitive advantages, organization, affiliates and awards. The "Corporate Sustainability" and "Corporate Governance" sections disclose the Company's philosophy and progress on the respective topics. The "Investor Relations" section discloses activity information relevant to investors as well as annual reports, financial statements and finance / business-related information of the Company and subsidiaries. The website also has a "Shareholder Services" section that discloses information relating to shareholder meetings, dividends etc. Furthermore, in light of the ever-expanding range of products and services offered by subsidiaries, investors may even use the portal to link to subsidiaries' websites for more detailed information.</p> <p>2. The Company announces "material information" through "Market Observation Post System" according to policy, and in doing so keeps investors up to date about the Company's operations and financial position.</p>	No significant difference

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
(II) Has the financial holding company adopted other means to disclose information (e.g. English website, appointment of designated personnel to collect and disclose corporate information, implementation of a spokesperson system and broadcasting of investor conferences via the company website)?	✓		<ol style="list-style-type: none"> <li>1. The Company has set up an English website, implemented a spokesperson / deputy spokesperson system, and established Public Relations Department, Investor Relations Department, etc. that are responsible for ensuring timely and accurate disclosure of material information within the Company.</li> <li>2. The Company convenes analyst meeting regularly to disclose information about its operations and to enable closer interaction with domestic and foreign investors. All Chinese and English materials used during analyst meeting are disclosed on the Company' s website and at "Market Observation Post System."</li> <li>3. The Company simultaneously discloses material information in Chinese and English on "Market Observation Post System" to keep local and foreign investors up-to-date on the Company.</li> <li>4. In light of investors' concerns for ESG (Environmental, Social, Governance) issues in recent years, the Company has created a "Corporate Sustainability" section on its website to disclose non-financial performance and practices of the Company and subsidiaries in both Chinese and English.</li> </ol>	No significant difference
(III) Does the financial holding company publish and make official filing of annual financial reports according to the Financial Holding Company Act and Securities and Exchange Act within the required timeframe after the end of an accounting period, and publish / file Q1, Q2, and Q3 financial reports plus monthly business performance before the specified due dates?	✓		The Company complies with the Financial Holding Company Act and Securities and Exchange Act by publishing monthly unaudited income statements, auditor-reviewed or audited first quarter, semi-annual, the first three quarters, and annual consolidated financial reports before the statutory due dates.	No significant difference
VI. Other important information enabling a better understanding of the company's corporate governance (including but not limited to employee rights and interests, employee care, investor relations, stakeholders' rights and interests, continuing education of directors and	✓		<ol style="list-style-type: none"> <li>1. Employees' rights and care to employees: Please refer to "IX. (I) Employee benefit programs, retirement system, related agreements and rights protection."</li> <li>2. Investor relations: Please refer to sections "I.(I) Whether the financial holding company has defined some internal operating procedure to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure?"</li> </ol>	No significant difference

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
supervisors, implementation of risk management policies and risk measurement criteria, implementation of customer policy, purchase of liability insurance by the company for directors and supervisors, and donations to political parties, interested parties and public welfare groups)?			<p>3. Stakeholders' interests: Please refer to section "IV. Communication channel with stakeholders."</p> <p>4. Directors' and supervisors' ongoing education: Disclosures have been made on the Company's website (<a href="http://www.cathayholdings.com">http://www.cathayholdings.com</a>) and "Market Observation Post System."</p> <p>5. Implementation of risk management policy and risk measurement criteria: Please refer to "VI. The analysis and assessment of risk management in the most recent year to the date this report was printed by the analysis of the overall financial position and operation".</p> <p>6. Implementation of customer policy: When engaging in business activities, the Company and subsidiaries are required not only to comply with industry regulations and consumer protection laws, but are also bound by the following internal policies implemented with the goal of protecting customers' interests:</p> <p>(1) Cathay Financial Holding Co., Ltd. Subsidiaries Joint Marketing Policy</p> <p>(2) Cathay Financial Holding Co., Ltd. Confidentiality Agreement on Business Dealing with Subsidiaries and Customers' Data</p> <p>(3) Cathay Financial Holding Co., Ltd. and Subsidiaries Confidentiality Joint Statement</p> <p>(4) Cathay Financial Holding Co., Ltd. Data Warehousing Guidelines</p> <p>(5) Cathay Financial Holding Co., Ltd. Strategic Communication and Marketing Division's Monitoring of Subsidiary Marketing Activities</p> <p>(6) Cathay Financial Holding Co., Ltd. and Subsidiaries Firewall Policy</p> <p>(7) Cathay Financial Holding Co., Ltd. Personal Information Management Policy</p> <p>(8) Cathay Financial Holding Co., Ltd. Personal Information Infringement Management Policy</p> <p>(9) Cathay Financial Holding Co., Ltd. Personal Information Management Regulations</p> <p>(10) Cathay Financial Holding Co., Ltd. Personal Information Security Plan and Data Disposal upon Service Termination</p> <p>(11) Cathay Financial Holding Co., Ltd. Personal Data Masking Management Guidelines</p> <p>(12) Cathay Financial Holdings and Subsidiary Data Sharing Management Policy</p> <p>(13) Regulations Governing Cathay Financial Holding Co., Ltd. Management Policy for Data Sharing among the Company and its Subsidiaries</p>	

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>Employees of the group are required to sign confidentiality agreements before engaging in any business activity that would expose them to customers' information. Employees are also instructed to place customers' interests at the top of their priority in joint marketing.</p> <p>7. Purchase of liability insurance by the company for directors and supervisors:  Since June 15, 2007, the Company has been purchasing "liability insurance for directors and key staff" to protect itself against the liabilities of directors, supervisors and key staff of the Company and subsidiaries over the course of their duties. Terms of this insurance policy are reviewed on a yearly basis, and since 2017, main details such as the sum assured, the scope of coverage and premium rate are reported to the upcoming board meeting after annual renewal. This insurance exists to reduce the amount of risk borne by directors, supervisors and the Company, as well as to enforce the corporate governance system.</p> <p>8. Donation to political parties, stakeholders, and charities:  Cathay Financial Holdings had been active in supporting charity organizations in 2024 For details on donations, please refer to the Company's website.</p> <p>9. Intellectual Property Rights Management  For patents, the Company and its subsidiaries have established the Patent Management Regulations since 2016 to regulate patent application, management and reward mechanisms. Furthermore, the Company holds group-wide patent meetings at least once a year to engage subsidiaries in the discussion of how the group should grow its patent portfolio, and to consolidate financial innovations and applications across subsidiaries for further inspiration, and thereby improve the quality of the group's future patent development efforts. The company plans patent applications, focuses on key technologies and takes licensing scenarios into consideration. In 2024, it completed the first commercialization of patent licensing in the financial industry in Taiwan. Up to the end of 2024, the Company and its subsidiaries had obtained the grants and publication of more than 320 patents worldwide.</p> <p>In terms of trademarks, the Company and its subsidiaries have established the Group's Trademark Management Regulations since 2004 to regulate the registration, authorization, and use of the Group's trademarks. Trademarks held by the group are routinely managed and assessed by the Company on an annual basis. In addition, registration and maintenance strategies are constantly adjusted to comply with the trademark laws and to support group business activities. Potential infringement of group trademark is monitored on an ongoing basis, and response measures are taken in a timely manner to prevent customers from falling victim to confusion. Up to the end of 2024, the Company had registered more than 1200 valid trademarks worldwide.</p> <p>In terms of copyright, the Company has specified in its employment contract that the Company shall retain ownership of any creation developed by employees over performance of duty. Furthermore, it has been explicitly stated in Employee Code of Conduct and work rules that employees must perform their duties</p>	

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>free of infringement against copyright of others. When engaging external service providers in collaborative arrangement, the Company would state the ownership of potential copyrights in the agreement. Service providers will also be required to provide warranty for the legitimacy of its rights or propose corresponding supporting measures. The above practices are how the Company maintains and manages its copyrights.</p> <p>With respect to trade secrets, the Company has specified in the employment contract, Employee Code of Conduct, Ethical Behavior Guidelines and Business Integrity Policy and Code of Conduct that employees are required to bear the obligation to maintain confidentiality for all business-related information learned directly or indirectly due to performance of job duties. The Company also organizes regular training and online tests to ensure that all employees understand the importance of confidentiality. In terms of information security and control, the Company has implemented “Cathay Financial Holdings Implementation Rules for the Use and Management of Personal Information Devices,” “Cathay Financial Holdings IoT Equipment Security Management Policy” and “Cathay Financial Holdings Server Management Tips” to manage IT equipment. Not only are security updates performed regularly on IT equipment to minimize leakage risk of confidential information, an expert team is readily available to investigate and undertake emergency measures in response to any leakage of confidential information should it occur in accordance with the “Cathay Financial Holdings and Subsidiaries Material Information Security Events Reporting and Emergency Response Management Guidelines”, and thereby minimize impact. Furthermore, the Company has specified in its “Cathay Financial Holdings Information Security Policy” that all outsourced IT service agreements shall contain a confidentiality clause, an audit clause, a penalty clause and loss compensation rules to ensure that service providers do comply with confidentiality duties.</p> <p>The Company’s intellectual property management plan and its implementation have been reported to the Board of Directors on November 8, 2024. The Company will continue to plan the management guidelines of the Group’s intellectual property rights, such as patents, trademarks, copyrights and trade secrets, pursuant to the Group’s operational objectives and development strategies, to provide a strong backing for its business development.</p> <p>On December 31, 2024 the Company has approved the revalidation of the Taiwan Intellectual Property Management System (TIPS) (trademark management). The certificate is valid from December 31, 2024 result to December 31, 2026. It is planned to continue the TIPS verification application in 2026.</p> <p>10. Succession planning for board members and key management personnel:</p> <ul style="list-style-type: none"> <li>■ Members of the board of directors: The Company’s Articles of Incorporation provide that the candidate nomination system is adopted for elections of directors. Meanwhile, pursuant to the requirements of board composition, diversity</li> </ul>	

Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>guidelines, professionalism and abilities specified in the Company's "Procedures for Election of Directors," "Charter of the Corporate Governance and Nomination Committee" and "Corporate Governance Best-Practice Principles," the "Corporate Governance and Nomination Committee" shall nominate directors and submit them to the shareholders' meeting for election upon the resolution of the Board.</p> <p>Pursuant to the Company's "Corporate Governance Best-Practice Principles," the composition of the Company's Board shall take into account the Company's operating structure, business development direction, and future development trends, and provide for a diversified arrangement of the basic composition, professional experience, knowledge and skills of the directors; the Board shall possess abilities including knowledge of the industry, operational judgments, accounting and financial analysis, management administration, crisis management, international market perspective, leadership, decision-making, and risk management.</p> <p>The successors of board members shall possess the aforesaid knowledge, skills and experience, and acknowledge the Company's core values, "Ethics, Accountability, Innovation." To effectively exert the function of supervising subsidiaries by the financial holding company, the Company incubates internal (including subsidiary) managerial officers to join the Board and familiarize them with the operation of the Board and the operations of the Group's companies by attending and participating in the board meetings. In addition, in order to enhance the diversity of the Board, while considering the trend of digital transformation and the need for international development, external persons with background and experience in digital operation and international management are recruited to join the Board.</p> <p>In addition, to continuously strengthen the functions of directors and enhance the effectiveness of the Board, the Company refers to the external corporate governance trends, the direction of the Company's business development, and the requirements of the competent authorities, to provide relevant courses for directors based on the functions of their duties, as well as their personal situations and demands, including: financial expertise, finance and accounting, risk management, legal compliance, fintech, information security, corporate governance and corporate social responsibility, to assist board members in their continuing education and enhance the overall effectiveness of the Board's operations.</p> <p>■ Key management:</p> <p>In response to the rapid development of digital transformation and AI technologies, the Company continues to proactively drive internal digital transformation efforts. Through a structured talent development journey, we aim to upskill and reskill employees, enhance the professional skills and leadership capabilities of supervisors at all levels, and foster a diverse and inclusive workplace that supports the well-rounded development of our people.</p>	



Scope of assessment	Implementation Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>To ensure sufficient depth in key leadership and management roles, and to proactively address challenges arising from demographic shifts, the Company has established a comprehensive talent pipeline across all levels. We offer a solid talent development framework and maintain long-term partnerships with internationally recognized management consultants to design programs that integrate both learning and practical application. Through internal talent development mechanisms—such as cross-functional rotations, mentorship assignments, and other development initiatives—we broaden employees’ business perspectives and strategic thinking, ensuring that our human resources are well-positioned to support the Company’s long-term and sustainable development.</p> <p>To strengthen leadership continuity, the Company evaluates potential successors not only based on their professional qualifications and experience, but also on their development potential and willingness, using objective assessment tools. This includes consideration of their cultural alignment, familiarity with the Company’s business, and ability to manage subsidiaries. Talent-related decisions are informed by data-driven insights to reinforce our leadership bench strength, ensuring that future leaders at all levels are equipped to respond flexibly to industry transformation and AI-driven challenges, while continuing to create long-term value.</p>	
VII. Please specify the status of the correction based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies. (Not required if the Company is not one of the evaluated subjects)	✓		A summary description has been provided in the following table (Improvement or Priority Enhancement Measures Made in Response to the 2024 11th Corporate Governance Evaluation).	No significant difference

Note 1: Regardless “Yes” or “No”, the status shall be stated in the Remarks section.

Note 2: Please explain deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Improvement or Priority Enhancement Measures Made in Response to the 2024 11th Corporate Governance Evaluation			
Improved	Improved	Improved	Improved
2.27	<p>Has the Company devised a smart property management plan that is linked to its operational goals, and disclosed execution progress on its website or in the annual report? Is progress reported to the board of directors at least once a year?</p> <p>[If the company has adopted the Taiwan Intellectual Property Management System (TIPS), ISO 56005, or similar intellectual property management system standards, and furthermore has obtained third-party certification, one additional point will be added to the total score.]</p>	—	<p>1. In recent years, the Company has focused on building brand awareness and value in local and foreign markets, and taken proactive steps toward financial innovation and digital transformation. Considering that intellectual property provides the foundation for brand management and innovation, the Company has developed an intellectual property management system and enforces intellectual property management as part of its corporate governance to ensure business continuity. Progress is reported to the board of directors on a yearly basis, and relevant disclosures are made in the annual report and over the company website.</p> <p>2. The Company introduced the Taiwan Intellectual Property Management System (TIPS) in 2021, was approved the Grade-A level certification again in 2022, and conducted the outsourced TIPS self-assessment during the validity period of the Grade-A certification in 2023, was approved the Grade-A level certification again in 2024. It is planned to continue the application for TIPS verification in 2026, in order to continuously optimize the intellectual property management mechanism through the management cycle model of plan, execution, inspection, correction and improvement.</p>
4.23	Does the Company disclose the policies that link the remuneration of senior managers and ESG performance assessment?	—	Managers shall set up their personal work targets based on the annual strategic key goals of the Company/department, their responsibilities (including “internal control execution effectiveness” and “compliance execution effectiveness”), and other key tasks of the year (such as corporate sustainability indicators), and shall discuss with their direct supervisors to ensure that their work targets are closely linked to the unit/Company strategy.
4.24	Are the sustainability reports prepared by the Company submitted to the Board of Directors for approval?	—	The Company publishes a sustainable report every year. The “Cathay Financial Holdings 2023 Sustainability Report” published in 2024 is based on the GRI Standards of the Global Reporting Initiative (GRI). After preparation, the report is submitted to the Board of Directors on July 16, 2024 for discussion and approval. The report is uploaded to the MOPS at the end of July 2024 and published on the Company's website.
4.25	Does the Company disclose annual greenhouse gas emissions for the past two years?	—	<p>The Company's annual greenhouse gas emissions for the past two years is disclosed on page 85-88 of the 2023 Annual Report and pages 172-174 of the 2023 Sustainability Report.</p> <p>3. All data is verified by a third-party verification unit (ISO 14064-1).</p>
4.26	Does the Company have a greenhouse gas reduction management policy in place, including reduction targets, promotion measures, and achievement status?	—	The Company's greenhouse gas reduction management policy is disclosed on pages 85-88 of the 2023 Annual Report and pages 23 and 56-58 of the 2023 Sustainability Report.
Extra question	Has the company exhibited exceptional performance in corporate governance, or derived actual yields from corporate governance?	—	<p>1. The Company's 2024 Regular Shareholders' Meeting adopted the hybrid shareholders' meeting to implement shareholder activism.</p> <p>2. In 2024, the Company led for the fourth time its subsidiaries “Cathay Life Insurance” and “Cathay United Bank” to undergo “CG6014 (2023) Corporate Governance Assessment” organized by the Taiwan Corporate Governance Association, and they were awarded the highest “Exceptional” rating (certificate valid until 2026). Feedback and recommendations</p>

			<p>raised in the assessment will be taken into consideration to further refine corporate governance practices.</p> <p>3. The Company has been listed as a component of the “DJSI” for seven consecutive years (2018 to 2024), and has been selected as a component of the “DJSI Emerging Markets Index” for ten consecutive years (2015 to 2024).</p> <p>4. Provided life insurance relief programs.</p>
--	--	--	--

**(V) Describe the composition, duties and operations of the remuneration committee established by the Company, if any:**

The Company assembled its Remuneration Committee on April 29, 2011 and vested it the responsibility to: set and review performance evaluation and compensation policies, systems, standards, and structures applicable to directors and managers, and regularly assess and determine directors’ and managers’ compensation. The 2024 Remuneration Committee has held 5 meetings. Important proposals reviewed by the Committee include: 2023 bonuses to the Company’s managers; 2023 distribution of remuneration to employees; 2023 distribution of remuneration to the Company’s directors; Regular review of managerial officers’ remuneration and adjustments; amendments to the Company’s “Manager Compensation Guidelines”, and “Director Performance Appraisal Guidelines” to effectively enhance the function of the Board of Directors.

# 1. Information about remuneration committee members (Table 2-2-1)

Position Title (Note 1)	Criteria Name	Professional qualifications and experience(Note 2)	Independence Criteria(Note 3)	Number of positions as a Remuneration Committee Member in other public listed companies	Remarks
Independent Director (Remuneration Committee Member)	Tang- Chieh Wu	<ul style="list-style-type: none"> <li>■ Serving as Secretary-General of Taiwan Financial Services Roundtable; having served as Chairman of Hua Nan Financial Holdings Co., Ltd. and Hua Nan Bank for over 2 years, Chairman of Land Bank of Taiwan for over 1 year, Vice Chairman without Portfolio of Financial Supervisory Commission for over 5 years, Director-General of Securities and Futures Bureau for over 4 years, and independent director of all Cathay Financial Holdings, Cathay United Bank, Cathay Life Insurance, and Cathay Century Insurance for over 5 years.</li> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of experience in financial administration or management, and has been recommended for appointment to posts of Grade eight equivalent or higher, with excellent performance; meeting the professional qualifications in banking, insurance and securities.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company’s 100% owned subsidiaries, Cathay Life, Cathay United Bank and Cathay Century Insurance, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5-8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	0	-

Position Title (Note 1)	Criteria Name	Professional qualifications and experience(Note 2)	Independence Criteria(Note 3)	Number of positions as a Remuneration Committee Member in other public listed companies	Remarks
Independent Director (Remuneration Committee Member)	Edward Yung- Do Way	<ul style="list-style-type: none"> <li>■ Certified public accountant in State of Georgia, U.S., and The Republic of China; having served as CEO of Deloitte Taiwan for over 2 years; serving as Chairman of YCSY Co., Ltd. for over 14 years, independent director of both Cathay Financial Holdings and Cathay United Bank for over 7 years, independent director of Cathay Securities for over 5 years.</li> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company’s 100% owned subsidiaries, Cathay United Bank and Cathay Securities, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	2	-

Position Title (Note 1)	Criteria Name	Professional qualifications and experience(Note 2)	Independence Criteria(Note 3)	Number of positions as a Remuneration Committee Member in other public listed companies	Remarks
Independent Director Remuneration Committee Member	Pei-Pei Yu	<ul style="list-style-type: none"> <li>■ Having served as the Managing Director of Goldman Sachs (Asia) L.L.C.(Hong Kong) for over 5.5 years; President of Goldman Sachs (Asia) L.L.C., Taipei Branch for over 2.5 years; Manager / Vice President of Goldman Sachs (Asia) L.L.C.(Hong Kong) for five years; Assistant Vice President of UBS AG, Taipei for over 4 years; and Manager of Citibank (Taipei Branch) for over 2.5 years; independent director of Cathay Financial Holdings / Cathay Life / Cathay Century Insurance for more than 2 years.</li> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of working experience in securities, with professional qualifications in securities.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>■ Independence conforming to Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”</li> <li>■ Except for serving as the independent director of the Company and the Company’s 100% owned subsidiaries, Cathay Life and Cathay Century Insurance, not a director, supervisor, or employee of the Company or its affiliates.</li> <li>■ The director’s spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship, are not directors, supervisors, or managerial officers of the Company or its affiliates.</li> <li>■ The number and weight of the shareholding in the Company of the director, including the spouse, minor children or in the name of others: 0 share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ The number and weight of the shareholding in the Company of the director, the spouse, relatives within the second degree of kinship, or blood relatives within the third degree of kinship: share/0%, are not a natural person shareholder of the Company holding more than 1% of the shares or one of the top 10 shareholders.</li> <li>■ Not a director, supervisor or employee of any company engaged in specific relationship with the Company (per subparagraphs 5–8, Paragraph 1 of Article 3 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”).</li> <li>■ Not the shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial and business relationship with the Company.</li> <li>■ Neither he or his spouse is a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the Company or its affiliated companies.</li> </ul>	1	-

Note 1 : Please specifically fill in the number of years of relevant work experience, and the professional qualifications and experience, and the status of independence, of each remuneration committee member. If the member is an independent director, you may add a note directing readers to refer to the relevant information in Table 1 Information on Directors and Supervisors (1). For “Capacity,” please specify whether the member is an independent director or other (if the member is the convener, please note that fact).

Note 2 : Professional qualifications and experience: Describe the professional qualifications and experience of each member of the remuneration committee.

Note 3 : Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a “specified company” (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

## 2. Information concerning the remuneration committee

The Company's Remuneration Committee had 3 members in the most recent year.

Term of the 5th committee members: from June 17, 2022 to June 16, 2025. In the last year (2024.1.1–2024.12.31)

The Remuneration Committee held 5 meetings (A) ; members' eligibility and attendance records are as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener (Independent Director)	Tang-Chieh Wu	5	0	100%	-
Member (Independent Director)	Edward Yung-Do Way	5	0	100%	
Member (Independent Director)	Pei-Pei Yu	5	0	100%	

Other items to be stated:

1. If the Board of Directors does not adopt or amend the remuneration committee's suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and the company's handling of the remuneration committee's opinions (if the remuneration approved by the Board of Directors is superior than that suggested by the remuneration committee, please specify the deviation and reason): None.
2. For resolution(s) made by the remuneration committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and the company's handling of the said opinions: None.

Note 1: The date of resignation is specified for members of the Remuneration Committee who had resigned prior to the close of the financial year. The percentage of actual attendance (%) is calculated based on the number of Remuneration Committee meetings held and the number of meetings actually attended during active duty.

Note 2: If a re-election of Remuneration Committee members had taken place prior to the close of the financial year, members of both the previous and the current Remuneration Committee are listed; in which case, the remarks column would specify whether the committee member was elected in the previous board, the new board, or both. The percentage of actual attendance (%) is calculated based on the number of Remuneration Committee meetings held and the number of meetings actually attended during active duty.



Remuneration Committee	Motion	Resolution	The Company's handling of the Remuneration Committee members' opinion
The 8 <sup>th</sup> meeting of the 5 <sup>th</sup> term 2024.1.30	1. Amendments to the Company's "Director Performance Evaluation Guidelines". 2. Disbursement of 2023 annual bonuses to the Company's managers.	The Remuneration Committee members unanimously consent to approving the case.	The motions listed on the left were submitted to the Board of Directors on January 30, 2024. Resolution: ■ Motion 1: Passed as proposed by all attending directors. ■ For Motion 2, Chairman Hong-Tu Tsai, Director Chang-Ken Lee and Grace Chen recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending directors.
The 9 <sup>th</sup> meeting of the 5 <sup>th</sup> term 2024.3.4	1. The Company Allocation of employee remuneration for 2023. 2. The Company Allocation of director remuneration for 2023.	The Remuneration Committee members unanimously consent to approving the case.	The motions listed on the left were submitted to the Board of Directors on March 5, 2024. Resolution: ■ For Motion 1, Chairman Hong-Tu Tsai, Director Chang-Ken Lee and Grace Chen recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending directors. ■ For Motion 2, Chairman Hong-Tu Tsai, Directors Chen-Chiu Tsai, Chi-Wei Chung, Andrew Ming-Chien Kuo, Tiao-Kuei Huang, Ming-Ho Hsiung, Chang-Ken Lee, and Grace Chen recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending independent directors.
The 10 <sup>th</sup> meeting of the 5 <sup>th</sup> term 2024.5.14	1. The amendments to the Company's "Manager Compensation Guidelines" 2. Adjustment and regular review of managerial officers' salaries of the Company.	The Remuneration Committee members unanimously consent to approving the case.	The motions listed on the left were submitted to the Board of Directors on May 15, 2024. Resolution: ■ For Motion 1, Passed as proposed by all attending directors. ■ For Motion 2, Chairman Hong-Tu Tsai, Director Chang-Ken Lee and Grace Chen recused from the motion, and the motion was approved as proposed based on the consents of all of the remaining attending directors.
The 11 <sup>th</sup> meeting of the 5 <sup>th</sup> term 2024.7.16	1. Adjustment of managerial officers' salaries of the Company.	The Remuneration Committee members unanimously consent to approving the case.	The motions listed on the left were submitted to the Board of Directors on July 16, 2024. Resolution: Passed by all attending directors.
The 12 <sup>th</sup> meeting of the 5 <sup>th</sup> term 2024.12.3	1. Adjustment of managerial officers' salaries of the Company.	The Remuneration Committee members unanimously consent to approving the case.	The motions listed on the left were submitted to the Board of Directors on December 3, 2024. Resolution: Passed by all attending directors.

※ Other items to be stated:

If the Board of Directors does not adopt or amend the remuneration committee's suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and the company's handling of the remuneration committee's opinions (if the remuneration approved by the Board of Directors is superior than that suggested by the remuneration committee, please specify the deviation and reason): None.

### 3. Information on Corporate Governance and Nomination Committee Members and its Operation

#### ■ Appointment qualifications for members of the Corporate Governance and Nominating Committee and their duties

The Committee shall consist of at least three directors appointed by the Board, and at least half of whom shall be independent directors. The term of office of the members is the same as the term of the appointing Board.

Since December 22, 2017, the Company officially has established the Corporate Governance and Nomination Committee comprising three directors (including two independent directors). Ming-Ho Hsiung, the convener of the committee of this term and director, possesses expertise in “Actuarial Science / Management”; members of the committee and independent directors, including Edward Yung-Do Way and Li-Ling Wang, possess expertise in “Management / Audit,” “Risk Management / Corporate Governance” respectively. The purpose of the committee is to enhance corporate governance and board performance, and its responsibilities include:

- (1) Nomination of director candidates and verification of candidates’ eligibility.
- (2) Review of establishments / amendments made to board of directors policies.
- (3) Design of organizational structure and review of establishments / amendments made to functional committee policies.
- (4) Review of establishments / amendments made to the Company’s Corporate Governance Code of Conduct.
- (5) Any other tasks instructed by the board of directors.

The Corporate Governance and Nomination Committee may convene meetings whenever deemed necessary, and is entitled to approach attorney, CPAs or any other experts for consultation on matters pertaining to its responsibilities.

#### ■ Professional qualifications and experience of the Corporate Governance and Nomination Committee members and its operations

The number of Corporate Governance and Nomination Committee members for the most recent year was three.

Term of the 3rd committee members: from June 17, 2022 to June 16, 2025. The Corporate Governance and Nomination Committee held 3 meetings (A) in the last year (2024.1.1–2024.12.31); members’ eligibility and attendance records are as follows:

Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Director (Convener of Corporate Governance and Nomination Committee)	Ming-Ho Hsiung	<ul style="list-style-type: none"> <li>■ Serving as the Chairman of Cathay Life Insurance for over 1.5 years, the director of Cathay Financial Holdings for over 17 years; having served as Vice Chairman for over 5 years / the President of Cathay Life Insurance for over 9 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	3	0	100%	-
Independent Director	Edward Yung-Do	■ Certified public accountant in State of Georgia, U.S., and The Republic of China;	3	0	100%	

Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
(Member of Corporate Governance and Nomination Committee)	Way	<p>having served as CEO of Deloitte Taiwan for over 2 years; serving as Chairman of YCSY Co., Ltd. for over 14 years, independent director of both Cathay Financial Holdings and Cathay United Bank for over 7 years, independent director of Cathay Securities for over 5 years.</p> <ul style="list-style-type: none"> <li>■ competent to operate a financial holding company, and is able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>				
Independent Director (Member of Corporate Governance and Nomination Committee)	Li-Ling Wang	<ul style="list-style-type: none"> <li>■ Serving as Chairperson of the Taiwan Sustainable Finance and Enterprise Impact Association (TSFIA) for more than six months, Professor of Risk Management and Insurance, National Chengchi University for over 16 years, having served as Chairman of Pension Funds Association of R.O.C. in Taiwan for over 7.5 years; Chairman and Vice Chairman without Portfolio of Financial Supervisory Commission, Vice President of National Chengchi University, and independent director of China Life Insurance for over 1.5 years, director of First-Aviva Life for over 2 years; serving as independent director of Cathay Financial Holdings and Cathay Life Insurance for over 5 years.</li> <li>■ Competent to operate a financial holding company, and able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined</li> </ul>	3	0	100%	

Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
		in Article 30 of the Company Act.				
<p>Other items to be stated:</p> <p>For any major motion put before the Corporate Governance and Nomination Committee, specify the meeting date, meeting session number, content of the motion, content of recommendations or dissenting opinions of the Corporate Governance and Nomination Committee members, the outcome of the resolution of the nomination committee, and the measures taken by the Company with respect to the Corporate Governance and Nomination Committee members' opinions.</p>						

Note 1 : If any Corporate Governance and Nomination Committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of Corporate Governance and Nomination Committee meetings held and the number they attended in person during the period they were on the committee.

Note 2 : If any by-election for Corporate Governance and Nomination Committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The percentage of actual attendance (%) is calculated based on the number of Corporate Governance and Nomination Committee meetings held and the number of meetings actually attended during active duty.

Corporate Governance and Nomination Committee	Corporate Governance and Nomination Committee Meeting Motion	Suggestions or objections by the members of the Corporate Governance and Nomination Committee	Corporate Governance and Nomination Committee Resolution	Company's handling for opinions of the Corporate Governance and Nomination Committee
The 7 <sup>th</sup> meeting of the 3 <sup>rd</sup> term 2024. 3. 4	1. The amendments to the Company's "Rules of Procedure for Board Meetings"	None.	Proposal was approved as proposed based on the consents of all members of the Corporate Governance and Nomination Committee.	The motions listed on the left were submitted to the Board of Directors on March 5, 2024. Resolution: Passed by all attending directors.
The 8 <sup>th</sup> meeting of the 3 <sup>rd</sup> term 2024.4. 30	1. Establish the Company's "Guidelines for the Establishment of the Board of Directors" and revise the "Corporate Governance Best Practice Principles", "Organizational Rules for Audit Committee Organization" and "Organizational Rules for Corporate Governance and Nomination Committee".	None.	Proposal was approved as proposed based on the consents of all members of the Corporate Governance and Nomination Committee.	The motions listed on the left were submitted to the Board of Directors on April 30, 2024. Resolution: Passed by all attending directors.

<p>The 9<sup>th</sup> meeting of the 3<sup>rd</sup> term 2024.11. 7</p>	<p>1. Establish the “Corporate Sustainability Committee,” the “Organizational Rules” of the Committee, and to appoint the members of the Committee. 2. The amendments to the Company’s “Board of Directors and Functional Committee Performance Evaluation Guidelines”</p>	<p>None.</p>	<p>Proposal was approved as proposed based on the consents of all members of the Corporate Governance and Nomination Committee.</p>	<p>The motions listed on the left were submitted to the Board of Directors on November 8, 2024. Resolution: ■ Motion 1: Except for Independent Director Edward Yung-Do Way, Independent Director Tang-Chieh Wu and Director Chang-Ken Lee who recused themselves, all other attending directors agreed to approve the proposal as presented. ■ Motion 2: Passed as proposed by all attending directors.</p>
---	--	--------------	---	---

Since the establishment of the Corporate Governance and Nomination Committee, the following mechanisms regarding board operations have been added: “The Company shall arrange orientation for the board of directors taking up the post for the first time”, the inclusion of “The Evaluation of the Functional Committee’s Performance”, the setup of “Chief Corporate Governance Officer, Risk Management Committee and Corporate Sustainability Committee”, and the addition of “Standard Operating Procedures for Resolving Directors’ Requests”.

#### **4. Information on Risk Management Committee Members and its Operation**

■ Appointment qualifications for members of the Risk Management Committee and their duties

The Committee shall consist of at least three directors appointed by the Board, and at least half of whom shall be independent directors. The term of office of the members is the same as the term of the appointing Board.

The Company has formally established the Risk Management Committee since April 1, 2023, which consists of 3 directors (including two independent directors). The convener of the committee, Ms. Li-Ling Wang, is an independent director, and the members, Mr. Tang-Chieh Wu and Mr. Chang-Ken Lee, are all specialized in “risk management” and “corporate governance.” All members have the professional skills required by the committee. The purpose of the committee is to enhance corporate governance and board performance, and its responsibilities include:

- (1) Review the Company’s risk management policies and guidelines;
- (2) Review the Company's annual risk appetite or the limits that require the Board of Directors’ approval;
- (3) Review the Company's risk management implementation status, which shall be consolidated by the Risk Management Division and report to the Board of Directors on a quarterly basis;
- (4) Review other risk management related agendas to be reported to the Board of Directors; and
- (5) Implement other matters instructed by the board of directors to the Committee for processing.

■ Professional qualifications and experience of the Risk Management Committee members and its operations

The Company’s Risk Management Committee had 3 members in the most recent year.

Term of the 1st committee members: from April 1, 2023 to June 16, 2025. The Risk Management Committee held 4 meetings (A) in the last year (2024.1.1–2024.12.31); members’ eligibility and attendance records are as follows:

Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Independent Director (Convener of Risk Management Committee)	Li-Ling Wang	<ul style="list-style-type: none"> <li>■ Serving as Chairperson of the Taiwan Sustainable Finance and Enterprise Impact Association (TSFIA) for more than six months, Professor of Risk Management and Insurance, National Chengchi University for over 16 years, having served as Chairman of Pension Funds Association of R.O.C. in Taiwan for over 7.5 years; Chairman and Vice Chairman without Portfolio of Financial Supervisory Commission, Vice President of National Chengchi University, and independent director of China Life Insurance for over 1.5 years, director of First-Aviva Life for over 2 years; serving as independent director of Cathay Financial Holdings and Cathay Life Insurance for over 5 years.</li> <li>■ Competent to operate a financial holding company, and able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of working experience in insurance, and meeting the insurance professional qualifications.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	4	0	100%	-

Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Independent Director (Member of Risk Management Committee)	Tang-Chieh Wu	<ul style="list-style-type: none"> <li>■ Serving as Secretary-General of Taiwan Financial Services Roundtable; having served as Chairman of Hua Nan Financial Holdings Co., Ltd. and Hua Nan Bank for over 2 years, Chairman of Land Bank of Taiwan for over 1 year, Vice Chairman without Portfolio of Financial Supervisory Commission for over 5 years, Director-General of Securities and Futures Bureau for over 4 years, and independent director of all Cathay Financial Holdings, Cathay United Bank, Cathay Life Insurance, and Cathay Century Insurance for over 5 years.</li> <li>■ Competent to operate a financial holding company, and able to operate the business of a financial holding company in a sound and effective manner, and meets the professional qualifications for financial holding companies.</li> <li>■ At least 5 years of experience in financial administration or management, and has been recommended for appointment to posts of Grade eight equivalent or higher, with excellent performance; meeting the professional qualifications in banking, insurance and securities.</li> <li>■ Have work experience for over 5 years and also the experience in the area of commerce, finance, accounting, or otherwise necessary for the business of the Company, and held satisfying the professional qualification as an independent director.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	4	0	100%	



Title	Name	Professional qualifications and experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Director (Member of Risk Management Committee)	Chang-Ken Lee	<ul style="list-style-type: none"> <li>■ Has served as President and Director of Cathay Financial Holdings for more than 13 years; Vice Chairman of Cathay Life Insurance for more than one year; having served as Director of Cathay Securities for more than 6 years; President of Cathay United Bank for more than 5 years; Director of Cathay United Bank for more than 12 years; Executive Vice President of Cathay Life Insurance for 2.5 years / Senior Vice President for 0.5 years / Manager for 1.5 years; clerk, sub-section chief, and section chief for more than 13 years.</li> <li>■ At least 5 years of working experience in financial holding companies, and meeting the professional qualification of financial holding companies.</li> <li>■ At least 5 years of working experience in banking and insurance, meeting the professional qualifications in banking and insurance.</li> <li>■ Not been a person of any conditions defined in Article 30 of the Company Act.</li> </ul>	4	0	100%	

Other items to be stated:

For any major motion put before the Risk Management Committee, specify the meeting date, meeting session number, content of the motion, content of recommendations or dissenting opinions of the Risk Management Committee members, the outcome of the resolution of the Risk Management committee, and the measures taken by the Company with respect to the Risk Management Committee members' opinions.

Note 1: If any Risk Management Committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of Risk Management Committee meetings held and the number they attended in person during the period they were on the committee.

Note 2: If any by-election for Risk Management Committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. Actual attendance rate (%) was calculated on the basis of the number of meetings held by the Risk Management Committee during each independent director's term and the number of meetings actually attended by that independent director.

Risk Management Committee	Risk Management Committee meeting motion	Suggestions or objections by the members of the Risk Management Committee	Risk Management Committee resolution:	Company's response to Risk Management Committee's opinions:
The 4 <sup>th</sup> meeting of the 1 <sup>st</sup> term 2024/3/1	1. Risk management execution report for Q4 of 2023.	None.	Proposal was approved based on the consent of all members of the Risk Management Committee.	The motions listed on the left were submitted to the Board of Directors on March 5, 2024. Resolution: Motion 1: Passed by all attending directors. Motion 2: Passed as proposed by all attending directors.
	2. The amendment to the Company's "Risk Management Policy" and the various Guidelines of Risk Management.	None.	Proposal was approved as proposed based on the consents of all members of the Risk Management Committee.	
The 5 <sup>th</sup> meeting of the 1 <sup>st</sup> term 2024/5/13	1. Risk management execution report for Q1 of 2024.	None.	Proposal was approved based on the consent of all members of the Risk Management Committee.	The motions listed on the left were submitted to the Board of Directors on May 15, 2024. Resolution: Motion 1: Passed by all attending directors. Motion 2: Passed as proposed by all attending directors.
	2. Establishing the Company's "Personal Information Management Policy".	None.	Proposal was approved as proposed based on the consents of all members of the Risk Management Committee.	
The 6 <sup>th</sup> meeting of the 1 <sup>st</sup> term 2024/8/9	1. Risk management execution report for Q2 of 2024.	None.	Proposal was approved based on the consent of all members of the Risk Management Committee.	The motions listed on the left were submitted to the Board of Directors on August 15, 2024. Resolution: Passed by all attending directors.
The 7 <sup>th</sup> meeting of the 1 <sup>st</sup> term 2024/11/5	1. Risk management execution report for Q3 of 2024.	None.	Proposal was approved based on the consent of all members of the Risk Management Committee.	The motions listed on the left were submitted to the Board of Directors on November 8, 2024. Resolution: Motion 1: Passed by all attending directors. With the exception of Director Andrew Ming-Jian Kuo, who had recused from the motion, motion 2 was passed as proposed to the board by the remaining attending directors.
	2. Proposal to establish the "Group credit and investment limit" for "Far East Horizon Group".	None.	Proposal was approved as proposed based on the consents of all members of the Risk Management Committee.	

**(VI) Implementation Status of the Promotion of Sustainable Development and Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons (Table 2-2-2)**

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>The Company established the “Corporate Social Responsibility Committee of Cathay Financial Holding Co., Ltd.” in 2011, and changed its name to the “Corporate Sustainability Committee of Cathay Financial Holding Co., Ltd.” (hereinafter referred to as the “Corporate Sustainability Committee”) in 2014, and also upgraded its subordinate to the Board of Directors of the Company, which is supervised by an independent director, who is the highest internal unit for sustainable development decision-making. The Company holds a committee meeting every quarter. The Company's President is the Chairman of the Committee (and also a director of the Company). The other members of the Committee are the Presidents of each subsidiary. The members of the Committee come from different fields of high-level supervisors, and they jointly promote and regularly review the Group's sustainable development plan.</p> <p>The “Corporate Sustainability Office” is the executive secretary unit of the “Corporate Sustainability Committee” which is directly under the President's jurisdiction and is responsible for the promotion of the Group's corporate sustainability affairs. It reports to the Board of Directors on important matters and the implementation of the sustainability strategy every six months, and the implementation of key projects, to supervise the implementation of the sustainability policy. The 2024 report items are mainly the review and revision of the sustainable policy, stakeholders' issues of concerns and communication status, the implementation of the three core sustainable development strategies of Cathay, the promotion of the Science Based Targets initiative (SBTi) and the progress of the zero-carbon operation transformation plan, as well as the implementation of the relevant operations of sustainable operation.</p> <p>In order to improve corporate sustainability and the performance of the Board of Directors, the Company established the Corporate Sustainability Committee on January 1, 2025. The Committee is composed of at least three directors, including one independent director. At least one of the members has abilities or experience in business management. After the establishment of the “Corporate Sustainability Committee” as mentioned above, this Committee has been maintained and supervised by the “Corporate Sustainability Committee” and renamed as the “ESG Strategy Committee”.</p>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			In addition, the Company has established the “Board of Directors and Functional Committees Performance Evaluation Policy” for the overall operation of the Board of Directors and functional committees, and included the items of “legal compliance”, “corporate governance”, “risk control” and “enterprise sustainability and corporate social responsibility” in the corporate sustainability indicators, to ensure that the Board of Directors and functional committees can perform their duties in terms of corporate governance, corporate operations and corporate sustainability. The results of the internal performance evaluation of the Board of Directors and functional committees of the Company in 2024 are all “Above Standard”.	
II. Has the company conducted risk assessment on environmental, social and corporate governance issues that are relevant to its operations, and implemented risk management policies or strategies based on principles of materiality? (Note 3)	✓		<p>The assessment scope covers Cathay Financial Holdings and its subsidiaries, including Cathay Life, Cathay United Bank, Cathay Century Insurance, Cathay Securities, Cathay Securities Investment Trust and Cathay Venture, and the core disclosure of operational regions centers on Taiwan.</p> <p>The Company conducts a material issues analysis every year based on the principle of materiality, to review the impact and risk assessment of environmental, social or corporate governance issues related to the Company's operations, and to uphold the four principles of negotiation: materiality, effectiveness, flexibility, and respect. Cathay Financial Holdings Stakeholder Engagement Strategy has been created to facilitate communication with stakeholders, and the findings on stakeholders’ concern toward environmental, social and corporate governance issues. The internal senior managers review the impact of each issue on the Company's operations, identify the sustainability material issues of the financial holding company, and prepare a material issues matrix. To ensure the implementation of material issues, the Corporate Sustainability Committee of Cathay Financial Holding (renamed to “ESG Strategy Committee” in 2025) regularly reviews material issues and management goals, and reports communications with stakeholders to the Board of Directors every year.</p> <p>In response to this, the Company has established the “ESG and Climate Risk Management Guidelines” to refine the ESG and climate-related risk management mechanism, and formulated relevant policies for major issues, such as the “Policy and Code of Operation Integrity” and “Responsible Investment and Lending Policy”. The Company will make good use of its core expertise in finance and risk management, and focus on 10 SDGs goals, to establish the three core axes of the sustainable strategy of Cathay, including “Climate, Health, and Empowerment”, and the long-term strategic goals and action</p>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary							
			<p>plans, and regularly review the results of implementation. The following is a list of the Company’s risk control strategies for material environmental, social and corporate governance issues:</p> <table><tr><th>Material issues</th><th>Criteria for risk assessment</th><th>Risk Management Strategy</th></tr><tr><td>Governance</td><td>Corporate Governance and Operation Integrity</td><td><p>1. The Company emphasizes on its culture of ethical corporate management, so it has adopted the “Policy and Code of Operation Integrity,” Procedures and Guidelines of Integrity Management Operation” and “Employee Code of Conduct,” which require that all employees to observe relevant internal regulations and prevent any unethical conducts in their performance of duties. To ensure employee compliance, the Group organizes training and education for the employee code of conduct. The completion rate reached 100% in 2024.</p><p>2. The Company has been actively promoting corporate governance. Since 2010, the Company established a “Corporate Governance Task Force” responsible for advancing the Group’s corporate governance initiatives. Starting in 2015, the governance structure was further elevated to the Board level, establishing and enhancing a diverse range of corporate governance mechanisms. These efforts include the formation of five functional committees under the Board, as well as the development of internal control systems, risk management policies, and corporate sustainability strategies, all aimed at building a governance framework that aligns with government policies and meets international standards. In 2024, the Company, together with its subsidiaries Cathay Life Insurance and Cathay United Bank, participated for the fourth time in the “CG6014 (2023) Corporate Governance System Evaluation” and was once again awarded the highest “Excellence” certification.</p></td></tr></table>	Material issues	Criteria for risk assessment	Risk Management Strategy	Governance	Corporate Governance and Operation Integrity	<p>1. The Company emphasizes on its culture of ethical corporate management, so it has adopted the “Policy and Code of Operation Integrity,” Procedures and Guidelines of Integrity Management Operation” and “Employee Code of Conduct,” which require that all employees to observe relevant internal regulations and prevent any unethical conducts in their performance of duties. To ensure employee compliance, the Group organizes training and education for the employee code of conduct. The completion rate reached 100% in 2024.</p> <p>2. The Company has been actively promoting corporate governance. Since 2010, the Company established a “Corporate Governance Task Force” responsible for advancing the Group’s corporate governance initiatives. Starting in 2015, the governance structure was further elevated to the Board level, establishing and enhancing a diverse range of corporate governance mechanisms. These efforts include the formation of five functional committees under the Board, as well as the development of internal control systems, risk management policies, and corporate sustainability strategies, all aimed at building a governance framework that aligns with government policies and meets international standards. In 2024, the Company, together with its subsidiaries Cathay Life Insurance and Cathay United Bank, participated for the fourth time in the “CG6014 (2023) Corporate Governance System Evaluation” and was once again awarded the highest “Excellence” certification.</p>	
Material issues	Criteria for risk assessment	Risk Management Strategy								
Governance	Corporate Governance and Operation Integrity	<p>1. The Company emphasizes on its culture of ethical corporate management, so it has adopted the “Policy and Code of Operation Integrity,” Procedures and Guidelines of Integrity Management Operation” and “Employee Code of Conduct,” which require that all employees to observe relevant internal regulations and prevent any unethical conducts in their performance of duties. To ensure employee compliance, the Group organizes training and education for the employee code of conduct. The completion rate reached 100% in 2024.</p> <p>2. The Company has been actively promoting corporate governance. Since 2010, the Company established a “Corporate Governance Task Force” responsible for advancing the Group’s corporate governance initiatives. Starting in 2015, the governance structure was further elevated to the Board level, establishing and enhancing a diverse range of corporate governance mechanisms. These efforts include the formation of five functional committees under the Board, as well as the development of internal control systems, risk management policies, and corporate sustainability strategies, all aimed at building a governance framework that aligns with government policies and meets international standards. In 2024, the Company, together with its subsidiaries Cathay Life Insurance and Cathay United Bank, participated for the fourth time in the “CG6014 (2023) Corporate Governance System Evaluation” and was once again awarded the highest “Excellence” certification.</p>								

				Environment	Responsible Investment and Financing	<ol style="list-style-type: none"> <li>1. In 2014, Cathay Financial Holdings established the first responsible investment team in Taiwan. The team oversees the responsible investment strategies of the Group, formulates related policies and continuously monitor the trends, methods and practices concerning the latest international responsible investment movement. It also actively connects with benchmarking peers in the globe in order to establish the specific action plan to refine and optimize its ESG integration procedures. Meanwhile, the ESG analysis and management tools as well as the regular ESG education and training are equipped to the team to enhance its risk management ability.</li> <li>2. When the Company and its subsidiaries invest and lend funds, they must comply with the “Cathay Financial Holdings and Subsidiaries Responsible Investment and Lending Policy” to integrate ESG into the existing investment and loaning procedures. Amid its routine tasks, in addition to forming the exclusion list, it is critical to integrate the ESG factors into its decision-making process and manage according to corresponding risk levels. Coal-fired enterprises, the natural gas industry and the petrochemical industry generate significant carbon emissions, which have a huge impact on the environment. The Company has promised to achieve net zero carbon emissions for its financial assets by 2050. In addition, based on the emphasis on biodiversity, the Company supports the “Kumming-Montréal global biodiversity framework” through the influence of financial institutions. Therefore, the Company has established the “Cathay Financial Holdings and Subsidiaries' Management Guidelines for Coal and Unconventional Oil &amp; Natural Gas Industries” and the “Cathay Financial Holdings and Subsidiaries' Management Guidelines for Industries Impacting Biodiversity” in accordance with the “Responsible Investment and Lending Policy”.</li> <li>3. In order to prevent operational risks and to comply with the value of corporate sustainability due to the high level of environmental, social and ethical risks associated with investments or loans, the Company has established the “Cathay Financial Holdings and Subsidiaries' Investment and Lending Exclusion Policy”, which specifies the fields of attention, including the industries and countries of disputes. The responsible investment team reviews the companies and countries of the fields of attention every year based on specific screening standards, and updates the “Investment and Lending Exclusion List”, and lists the subsidiaries as the excluded targets for investment and loans.</li> </ol>	
--	--	--	--	-------------	--------------------------------------	--	--

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<div> <div>Society</div> <div>Customer relationship management</div> <div> <p>The Company takes “customer orientation” as its philosophy for business operation and cares about customer feedback. It implements the risk management mechanism concerning customer relations management as follows:</p> <ol style="list-style-type: none"> <li>1. The “Service Quality Committee” established by the Company upholds the principles of maintaining customer rights and fair treatment, and stipulates the Group’s service guidelines and periodically reviews the service strategy and projects of each subsidiary. The service quality teams, established by each subsidiary subsequently plan, promote and keep track of each quality improvement project.</li> <li>2. Since 2016, the subsidiary of Cathay Financial Holdings has successively introduced the Net Promoter Score (NPS) to review the customer service history, and instantly grasp customer feedback at key contact points. With qualitative analysis and cross-departmental communication and cooperation, the Company continues to refine its customer service experience. Each subsidiary has set up diverse and complete complaint channels and assigned a dedicated unit for customer complaints. These subsidiaries promptly approach customers and offer solutions for their complaints by observing the established case handling rules and adhering to the principles of “Active Approach, Proactive Care.”</li> <li>3. Each subsidiary of the Group has relevant mechanisms established for the implementation of the “Principles of Fair Treatment to Customers,” the regular training and education for relevant personnel, the organization of review meeting and inclusion of such reviews into the legal compliance practice. Their results of implementation are subsequently reported to the board on a regular basis.</li> </ol> </div> </div>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
III. Environmental issues (I) Has the Company established environmental policies suitable for the Company's industrial characteristics?	✓		<p>Cathay Financial Holdings regards environmental responsibilities as a priority, and has established a "Green Operation Team" under the Company's Corporate Sustainability Committee from 2014. The team actively participates in external green advocacy, and is in charge of the operation and supply chain management of energy and environmental issues. The related managing rule milestones are as follow:</p> <ol style="list-style-type: none"> <li>1.The Company stipulated "Regulations Governing Energy Saving and Carbon Reduction Operation" in 2010, effectively increasing the resource efficiency and reducing impact of the Company's operation on natural environment.</li> <li>2.By the end of 2011, the Company established "Cathay Financial Holdings Corporate Social Responsibility Committee", and the "Environmental Protection Team" is responsible for implementing environmental protection policy. The Company also assigned energy saving and carbon reduction specialized personnel, who is in charge of promoting energy saving and carbon reduction measures.</li> <li>3.By the end of 2014, "Cathay Financial Holdings Corporate Social Responsibility Committee" is officially renamed "Cathay Financial Holdings Corporate Sustainability Committee", which is under the board. The "Green Operation Team" is responsible for operation management and supply chain management, and actively participates in external green initiatives.</li> <li>4.In 2017, Cathay Financial Holdings established a set of "Environment and Energy Policy" to serve as a guideline for preserving natural resources; it was also the year when ISO 14001 - Environmental Management system was adopted organization-wide, for which the group was certified by external institutions.</li> </ol>	No significant difference



Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
			<p>5. Since 2018, the Company has identified the risks in the procurement process and set the “Cathay Financial Holdings Sustainability Procurement Policy” to implement the concept of sustainable procurement in practice and influence the action of upstream suppliers.</p> <p>6. In 2023, Cathay Financial Holdings introduced the ISO 46001 water efficiency management system and established an "Environmental and Energy Resources Policy" to make good use of the earth's resources, pay attention to climate change, and control operational and investment risks to achieve sustainable development of the company and the environment.</p> <p>The Company and its subsidiaries have established environmental, energy and water efficiency management systems in accordance with ISO 14001, ISO 50001 and ISO 46001 and have continuously passed third-party verification. They also conduct greenhouse gas inventory annually in accordance with ISO 14064-1:2018, track emission reduction results and disclose them publicly in the sustainability report and the Company's website. (<a href="https://www.cathayholdings.com/holdings/esg/climate/environment">https://www.cathayholdings.com/holdings/esg/climate/environment</a>)</p>	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	✓		<p>In order to implement green operation and adhere to government policy, the Company has been actively promoting energy saving and carbon reduction, green procurement, renewable energy, and environmental education to reduce the impact of the operation process on the environment, the relevant measures are as follows:</p> <p><b><u>Energy Saving and Carbon Reduction:</u></b></p> <p>1. Actively coping with the “Regulation of Self-Governance Statutes Governing Energy Saving and Carbon Deduction Counseling and Management of Industry and Business in Taipei”, the Company maintains the average temperature of the air-conditioner in the office above 26°C.</p> <p>2. An automated lighting shutdown mechanism is set during regular working days and after office hours. In addition, elevator operations are managed by designated personnel based on traffic flow (e.g., during peak commuting hours). Air conditioning systems are automatically turned off after</p>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<p>office hours to reduce electricity consumption.</p> <p><b><u>Green Procurement:</u></b></p> <ol style="list-style-type: none"> <li>1. Promote paperless office, adopting electronic official document system and e-mail to handle business connections and reduce paper usage.</li> <li>2. Comprehensively procure FSC/ PEFC certified copy papers, use soy inks to print important publications as well as to promote double-sided printing, use recycled paper to print general documents, discarded documents are sent to professional paper plants, and destroyed in order to provide recycled paper pulp.</li> <li>3. We have promoted the priority purchase of energy-saving products and equipment with environmental protection labels, and have been recognized as a green procurement company by the Ministry of Environment for 15 consecutive years (2020-2024).</li> <li>4. By introducing green electricity and purchasing renewable energy certificates, we can not only meet green procurement standards, but also improve sustainable performance and demonstrate our commitment to environmental responsibility.</li> </ol> <p><b><u>Renewable Energy:</u></b></p> <ol style="list-style-type: none"> <li>1. In response to the RE100 trend, the Company became the first RE100 member in the financial sector in Taiwan in April 2022, and it has set out the goals of 100% renewal energy consumption in the headquarters of Cathay Financial Holdings, Cathay Untied Bank, Cathay Life and Cathay Century Insurance by 2025, 100% renewable energy consumption in all business locations in Taiwan by 2030 and, ultimately, 100% renewable energy consumption in all business locations globally by 2050. A dual-system of renewable energy wheeling and Taiwan Renewable Energy Certificate (T-RECs) is in operation currently, and 30,530,726 KWh from this dual system were consumed in 2024, achiev in 26.06% of the targeted renewable energy consumption.</li> <li>2. Cathay Financial Holdings introduced the “Green Lease Service” of the “Green Lease Program 2.0”</li> </ol>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<p>by the Bureau of Standards, Metrology and Inspection, MOEA, for the green landlords to negotiate with renewable energy providers to re-supply the renewable energies to tenants for using green electricity. As of the end of 2022, headquarters of six companies have 100% converted to the green electricity, and the percentage of green electricity is expected to reach 8.5%. The annual internal renewable energy target has been set, seeking to increase the consumption year by year.</p> <p>3. In 2023, Cathay Financial Holdings responded to the launch of the international carbon rights trading platform of the Carbon Exchange and became one of the first "first purchasers" of international carbon rights financial institutions. To support the development of carbon rights trading, Cathay United Bank created the "Carbon Rights Trading Price Trust Service" and integrated the payment and settlement mechanism, serving as a clearing bank to jointly improve the domestic carbon rights trading mechanism.</p> <p><b><u>Environmental Actions:</u></b></p> <p>1. Since Cathay Financial Holdings became the first financial company in Taiwan to receive the "Republic of China Corporate Environmental Protection Award" (later renamed the "National Corporate Environmental Protection Award") in 2014, Cathay Life and Cathay United Bank have also received recognition many times. Cathay United Bank has won the award six times and Cathay Life Insurance has won the award three times.</p> <p>2. Employees are encouraged to bring their own reusable containers, while supply of packaged drinking water was discontinued in 2017. This measure is estimated to reduce use of disposable containers by 17,130 cups per year, which lessens impact on the environment.</p> <p>3. To implement green operations and promote the low-carbonization of official vehicles, priority will be given to the use of hybrid or pure electric vehicles in future replacements to improve energy efficiency and reduce carbon emissions.</p> <p>4. Workplace transformation promotes shared office, replacing traditional desktops with remote</p>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			connections to improve space and energy utilization. 5. Incorporate the promotion of environmentally friendly and energy-saving products into internal regulations. If it is based on public welfare or sustainable practices, the purchase of environmentally friendly and energy-saving products, or the manufacturing/use process/waste treatment of products and raw materials that meet the requirements of recycling, recyclability, low pollution or energy saving, a price difference of less than 10% may be allowed.	
(III) Does the company assess potential risks and opportunities associated with climate change, and undertake measures in response?	✓		<p>The Company focuses on climate change issues, strengthens the Group's risk management and grasps relevant opportunities for development, and conducts an assessment and identification of climate risks and opportunities every year with the work team composed of the Company and its subsidiaries.</p> <p>The Company analyzes the environmental sustainability issues, international trends, and climate strategic goals, to identify potential short-term to long-term risks and opportunities.</p> <p>The Company has identified potential risks and opportunities in 2024, and has formulated relevant countermeasures. Please refer to the following (please refer to the Company's annual sustainability report and climate and natural reports for details):</p> <p><b><u>Potential risks</u></b></p> <ol style="list-style-type: none"> <li>Increase of credit and market risk of high-carbon portfolio <ul style="list-style-type: none"> <li>Response strategies and risk management plans: Enhance the risk control mechanism and conduct scenario analysis to measure the expected loss of investment derivatives, regularly assess and monitor, and formulate response strategies and risk management plans.</li> </ul> </li> <li>The physical risks of the Company, its financing counterparties, and its insured companies due to extreme weather and climate change <ul style="list-style-type: none"> <li>Response strategies: Enhance the risk control mechanism, analyze various risk scenarios, measure expected losses, regularly assess and monitor, and formulate response strategies and risk management plans.</li> </ul> </li> </ol> <p><b><u>Potential opportunities</u></b></p> <ol style="list-style-type: none"> <li>Develop innovative green services to improve customer adhesion and enhance brand value</li> </ol>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons								
	Yes	No	Summary									
			<div>■ Response strategies: Build a low-carbon building ecology, introduce renewable energy to satisfy the sustainable goals of corporate customers, and encourage more customers to transform and use local green electricity more conveniently.</div> <div>2. Through advocacy and engagement, the Company is able to exert its financial influence and communicate with stakeholders in the financial value chain to develop innovative climate and natural finance solutions.</div> <div>■ Response strategies: The Company will respond to the needs of investees and credit customers through communication, and then provide various green financial products, services, and climate solutions to promote the rapid carbon reduction process and achieve the transition goals.</div>									
(IV) Does the company maintain statistics on greenhouse gas emission, water usage and total waste volume in the last two years, and implement policies aimed at reducing greenhouse gas, water, and waste?	✓		<div>In order to reach the goal of carbon reduction and support the government’s policy of promoting green operation, the Company has set a goal to reduce 5% carbon emission by the year of 2021 compared to the benchmark in 2016. In 2017, the Green Operation Task Force’s meeting considered the SBTi, and revised the reduction target as "taking 2016 as the base year, and up to 2021, the basic target is to reduce 5% of carbon, or 10% as the ideal target." Furthermore, starting from 2021, in order to align with and be approved under the SBT, the company aims to achieve a cumulative carbon reduction of at least 42% from 2021 to 2030 , compared to the baseline 2020 . In addition, the company establishes environmental, energy and water resource efficiency management systems in accordance with ISO 14001, ISO 50001 and ISO 46001 every year, and conducts "greenhouse gas inventory" to track environmental data in accordance with ISO14064-1:2018 specifications. The above four standards have all been verified by a third party as an important reference for the company's reduction target setting. In addition, in accordance with the provisions of the “Sustainable Development Roadmap” announced by the TWSE in March 2022, the financial statement disclosure boundary will be examined on a rolling basis annually, and the scope of greenhouse gas inventory will be adjusted accordingly. The environmental data over the years are as follows:</div> <div>Greenhouse gas emissions in the last two years.</div> <table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td rowspan="2">Energy consumption (GJ)</td><td>Domestic Location: 398,629.81</td><td>Domestic Location: 429,520.31</td></tr><tr><td>Overseas locations: 66,539.74</td><td>Overseas locations:</td></tr></table>	Item	2023	2024	Energy consumption (GJ)	Domestic Location: 398,629.81	Domestic Location: 429,520.31	Overseas locations: 66,539.74	Overseas locations:	No significant difference
Item	2023	2024										
Energy consumption (GJ)	Domestic Location: 398,629.81	Domestic Location: 429,520.31										
	Overseas locations: 66,539.74	Overseas locations:										

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary			
					46,161.81	
			Item	2023	2024	
			Electricity Consumption (kWh)	Domestic Location: 108,618,224 Overseas locations: 11,270,681	Domestic Location: 117,150,098 Overseas locations: 10,166,584	
			Renewable Energy Usage(kWh)	17,952,890	30,530,726	
			Total GHG Emissions Category 1 (tons)	Domestic Location: 4,031.19 Overseas locations: 1,424.78	Domestic Location: 7,621.84 Overseas locations: 980.28	
			Category 2(Tonnes - market base)	Domestic Location: 44,879.34 Overseas locations: 7,037.61	Domestic Location: 41,057.70 Overseas locations: 6,068.86	
			Category 1+2 Total (metric tons - market basis)	Domestic Location: 48,910.53 Overseas locations: 8,105.63	Domestic Location: 48,679.55 Overseas locations: 7,049.14	
			Category 3-6 (tons)	4,801.9733	5,043.8072	
			General domestic waste (tons)	1,248.26	1,201.50	
			Recycling (tons)	904.78	801.05	
			Direct Water Consumption	655,060	731,639	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			(m3)	
			Item	2023
			2024	
			Standard	ISO 14064-1:2018 (Including S1, S2, waste, direct water consumption, business travel, insurance services, credit card services, and unsecured small-amount credit loan service)
				ISO 14064-1:2018 (Including S1, S2, waste, direct water consumption, business travel, insurance services, credit card services, and unsecured small-amount credit loan service)
			Note 1: The inventory sites are adjusted on a rolling basis each year. In 2024 , there are a total of 1,297 domestic sites and 236 overseas sites.	
			Note 2: Categories 3–6 include emissions from business trips, emissions from operational waste and purchased goods, and emissions from product use stage and product end-of-life.	
			Scope 3	
			Item	2023
			2024	
			Scope 3- Purchased Products and Services	170,689.12
			Scope 3- Capital goods	47,520.06
			Scope 3- Fuel and energy related activities	8,946.54
			Scope 3- Upstream transportation and distribution	12,734.08
			Scope 3- Waste generated during operation	454.65
			Scope 3- Business trip	9,190.99
			Scope 3- Employee commuting	30,146.82
				208,699.86
				38,987.20
				7,800.93
				11,540.30
				446.89
				11,964.57
				28,164.31

Item	Implementation Status (Note 1)					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary				
			Item	2023	2024		
			Scope 3- Upstream leased assets	5,722.50	6,586.69		
			Scope 3- Downstream transportation and distribution	4,105.33	4,272.09		
			Scope 3- Processing of sold products	There is no such event, so it is not relevant	There is no such event, so it is not relevant		
			Scope 3- Use of Selling Products and Services	There is no such event, so it is not relevant	There is no such event, so it is not relevant		
			Scope 3- End-of-life management of sales products and services	1,768.64	796.39		
			Scope 3- Downstream leased assets	not reveal	not reveal		
			Scope 3- Join	There is no such event, so it is not relevant	There is no such event, so it is not relevant		
			Standard	Self-inspection based on Corporate Value Chain (Scope 3) Standard, not verified by a third party	Self-inspection based on Corporate Value Chain (Scope 3) Standard, not verified by a third party		
			Environmental data target and results are as follows:				
				2024 Result	Short-term (Within 2025)	Mid-term (2025- 2030)	Long-term (120- 139)
			Energy Usage	The power consumption per unit of revenue in this year was 355.91 kWh/one million of revenue	The power consumption did not exceed 3,000 kWh per one million revenue		



Item	Implementation Status (Note 1)						Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary						
				2024 Result	Short-term (Within 2025)	Mid-term (2025- 2030)	Long-term (120- 139)		
			Carbon Reduction	Compared with the base year reduction 19.20% (market benchmark)	Corresponding to the SBT targets, carbon is reduced by 4.2% per year, and the cumulative carbon reduction from 2021 to 2030 will reduce at least 42% from 2020.				
			Renewable Energy Usage	30,530,726 kWh (26.06% of the Group’s total power consumption)	Corresponding to RE 100, the headquarters of the financial holdings, life and property insurance are expected to achieve 100% use of green electricity by 2025, and all domestic business sites are expected to achieve 100% use of renewable energy by 2030.				
			Waste Production	Waste per capita decreased by 20.87%due to examination scope adjustment	Decreased by 15% in comparison to the base year (2020 33.78KG)	Decreased by 20% in comparison to the base year (2020 33.78KG)			
			Recycle Ratio	The resource recycling ratio 40 %every year due to the examination scope adjustment	The proportion of recycled resources is over 40%				
			Water Usage	The average water consumption per capita of the current year was 16.28 m3/person due to the examination scope adjustment and the implementation of epidemic control measures	Do not exceed 14.0 m3/person				

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<p>Other measures are as follows:</p> <ol style="list-style-type: none"> <li>1. In 2024, it was again selected as the highest honor "A" by the world's most authoritative CDP (Carbon Disclosure Project), and has achieved leadership-level results in four of the past five years.</li> <li>2. Climate risks associated with core business activities are managed by Chief Risk Officer's TCFD, whose responsibilities are to identify and assess climate risks and report risk monitoring progress on a monthly basis. Members of the taskforce are also required to report to superiors of their respective business units at the same time.</li> <li>3. The Company has responded to the “Voluntarily Energy Saving Signing Meeting for Financial, Catering, and Shoe Industry Groups” since 2012, and 5% of energy was saved in three years. The Company promoted total 27 voluntarily energy saving measures and saved 777,239 kWh. Since 2016, the Company has been participating in the “2016 - 2018 Corporate Headquarter Voluntary Energy Conservation” scheme organized by the Bureau of Energy, Ministry of Economic Affairs, by taking count and replacing energy-intensive equipment. 1,276,000 kWh of power-saving effect was estimated to have been achieved during the 3 years, for which the Company was awarded commendation of outstanding performance.</li> <li>4. In 2013, the Company was the first company in financial industry to sign the “Greenhouse Gas Reduction Management Declaration for Cathay Financial Holdings and all Subsidiaries”, and the Company launched a three-year greenhouse gas inspection and passed British Standards Institution (BSI) ISO14064-1 inspection.</li> <li>5. All subsidiaries have been introduced in ISO 50001 energy management system and ISO 14001 environment management system one after another since 2013, setting up the best model of enterprise pole in financial industry as well as implementing energy saving and environment standardized management.</li> <li>6. Between 2014-2015, the Company set goals to reduce energy consumption by 1.5% on 12 buildings, and passed certification for the energy and environment management system.</li> <li>7. By the end of 2015, the “Green Operation Team” of Cathay Financial Holdings Corporate Sustainability Committee held a meeting and resolved that “greenhouse gas inspection operation” will be carried out in 46 operation locations of 9 companies of subsidiaries and grandson</li> </ol>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<p>subsidiaries of Cathay Financial Holdings. In a meeting held by the “Green Operation Team” of Cathay Financial Holdings Corporate Sustainability Committee towards the end of 2016, a decision was made to conduct “Greenhouse Gas Inventory” on all 434 office locations under the financial holding parent and 1st tier and 2nd tier subsidiaries. Scope 1 and Scope 2 emissions were measured at a total of 56,021.87 tons.</p> <p>8. In 2017, the Company completed the adoption of ISO50001-Energy Management System and ISO14001-Environmental Management System, for which it was recognized as the role model in the financial industry.</p> <p>9. Projects including “Credit Card Service Carbon Survey” and “Insurance Service Carbon Footprint” were launched in 2018 to enable effective management of carbon emission associated with core business activities. In the end of February 2020, Cathay Life and Cathay Century Insurance were awarded Life Insurance Carbon Reduction Label and Non-life Insurance Carbon Reduction Label, respectively, by the Environmental Protection administration.</p> <p>10. The Company began development of a climate risk and opportunities matrix in 2017 and aims to use the matrix for guidance as to how the Company should respond to climate change. According to the matrix, a typhoon would be the most significant climate risks over the short-term and medium-term, as the disaster has the potential to cause damages to renewable energy facilities invested or insured by the Company; as for the long term, the most significant climate risk involves adopting low-carbon operations to help keep global warming under 2°C. Cathay Financial Holdings has a Corporate Sustainability Committee in place to discuss how to respond to risks and opportunities associated with climate change. These issues are being monitored regularly to assess possible impacts in the future.</p> <p>11. In 2023, the Bank fully introduced the ISO 46001 water efficiency management system, combined with the existing ISO 50001 energy management system and ISO 14001 environmental management system, becoming a model in the financial industry.</p>	
IV. Social issues (I) Whether the	✓		To increase respect and support from the Company and staff, the Company stipulated “Human Rights Policy”, “Ethical Behavior Guidelines”, “Employee Code of Conduct”, and “Regulations Governing	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
Company establishes the related management policies and procedures in accordance with the relevant laws and international human right conventions?			Reporting Unethical or Dishonest Behavior Cases”. The Company also adopted relevant laws and regulations to amend and publicly announced “Work Rules”. In addition, the content of regulations provided by labor laws is included into the inspection items in the regular law compliance self-assessment operation in order to ensure the compliance of labor laws and international human rights.	
(II) Has the company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	✓		The company is committed to creating a happy workplace and provides a variety of employee welfare measures, covering salary system, vacation design and welfare planning, to help colleagues achieve work-life balance. In terms of the remuneration system, the Company has clearly regulated employee remuneration in accordance with the "Employee Remuneration Payment Method" and the "Employee Year-end Bonus Issuance Method". In addition to linking job responsibilities, performance and capabilities, it also links the Company's operating conditions with external remuneration benchmark market levels to ensure remuneration competitiveness. In 2024, the annual salary increase rate of employees reached 16%, demonstrating the company's recognition and feedback for employees' contributions. In terms of leave and employee care, in addition to providing the required leave in accordance with the law, we also promote measures that go beyond legal regulations, such as 5 days of fully paid sick leave (including menstrual leave), 10 days of fully paid prenatal check-up leave, paid abortion leave, etc. Relevant regulations are also clearly stipulated in the work rules to protect the rights and interests of employees. The company provides a full range of support measures, including flexible working patterns, personalized learning and development resources, employee stock ownership trusts, family support programs (such as slowing down without falling behind), health and leisure, social activities, financial management and real estate, etc., and sets up a welfare area to integrate relevant systems and application methods to fully support the physical and mental	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			health and family needs of employees. In addition, our human rights policy promises not to discriminate in promotion, salary, or behavior based on gender or sexual orientation, and is committed to providing equal development opportunities for both sexes. (In 2024, among the Group's employees, male employees accounted for 31% and female employees accounted for 69%; among all the Group's executives, male executives accounted for 46% and female executives accounted for 54%. The Group's headcount was confirmed by PricewaterhouseCoopers. Please refer to the 2024 Sustainability Report for the confirmed and verified data.) For implementing gender pay equality and a diverse and inclusive workplace environment, the company has also won honors such as the "2024 Forbes Global Best Employer", "2024 HRAsia Asia's Best Corporate Employer Award" and "2024 Ministry of Labor Work-Life Balance Award", which recognize the company's achievements in employee care and sustainable workplace promotion.	
(III) Whether the Company provides the existence of a safe and healthy work environment; regular safety and health training to company employees?	✓		<p>To ensure a safe working environment to guarantee employee personal safety, the Group already established the following measures:</p> <ol style="list-style-type: none"> <li>1.First-aid personnel are required to take the related professional training. First-aid kits and AEDs are provided in all working locations.</li> <li>2.Regular tests for illumination and carbon level of working environment.</li> <li>3.Health checkups and pre-job safety and health training for new hires.</li> <li>4.Health checkups and safety and health training for employees on a regular basis.</li> <li>5.Arrange physician and nursing personnel to provide on-site labor health service.</li> <li>6.Assign dedicated nursing personnel to provide labor health service.</li> <li>7.In 2024, the Group reported 123 persons (0.27%) with disability injuries and 0 occupational injuries; there were 0 fire incidents within the Group, resulting in 0 fatalities or injury.</li> </ol>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
			8.In 2024, the Group dedicated 74,221 hours of training and promotion on occupational safety and health.	
(IV) Has the Company established some effective career development training plan for employees?	✓		<p>To assist its employees in their competency improvement and career development, the Company has laid out the “Employee Training and Development Journey” to optimize employees’ learning experience from employees’ perspective. These learning activities, including the “Guideline for Learning and Development,” “Competency Identification,” “Individual Development Plan,” “Learning and Development” and “Performance Evaluation,” collectively offer a system for internal talent cultivation and motivate self-directed learning in the workplace, and which in turn enables high-quality human resources.</p> <p>Tailoring to different competency requirements for different levels in career, the Company lays out the “Development Blueprints” for each level of employees to strengthen employees’ competency for their current positions and prepare them for the next stage of career, and it thereby ensures the alignment between its talent cultivation and corporate development strategy.</p> <p>In addition to referring to the needs of the organization, team and employees of the year, supervisors and employees may also jointly discuss and set their individual development plans according to the 360-degree feedback results. Through regular reviews and feedback, employees are able to develop their competencies continuously.</p> <p>The human resource unit shall, based on the competency gap revealed by the 360-degree feedback, plan the joint competency training courses to accelerate employees’ competency improvement and the facilitation of organizational transformation.</p>	No significant difference
(V) Has the company complied with laws and international standards with respect to customers' health, safety and privacy, marketing	✓		Each company stipulates a policy of treating customers fairly with principles in accordance with the “Principles of Treating Customers Fairly” promulgated by FSC, which is consistent with Cathay Financial Group’s service principles of “Start from the heart, treat customers with integrity, touch customers, and create value”, The Policy shapes a value system and code of conduct for the whole corporation to comply with in order to establish and implement the corporate culture with the core of treating customers fairly.	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
and labeling in all products and services offered, and implemented consumer protection policies and complaint procedures?				
(VI) Has the company implemented a supplier management policy that regulates suppliers' conducts with respect to environmental protection, occupational safety and health or work rights/human rights issues, and tracked suppliers' performance on a regular basis?	✓		<p>Cathay Financial Holdings enforces sustainability in its procurement practices, and exerts influence over the conduct of its suppliers in the upstream. Cathay Financial Holdings and subsidiaries have adopted ISO 20400:2017 - Sustainable Procurement Guidelines since 2018, which makes Cathay world's first financial institution to pass audit. The Company has developed Cathay FHC Sustainable Procurement Policy based on the 7 principles of sustainable purchase. Implementation of robust “Sustainable Purchase Procedures” combined with the support of online procurement platform, supplier sustainability self-assessment, 100% suppliers' commitment to Cathay sustainability statement, sustainability training, the Company is able to systematically influence supply partners and help them take steps toward achieving sustainability goals such as compliance, human rights protection and local employment.</p> <p>As part of the Company's supplier management practice, all potential suppliers are required to undergo assessment for compliance with the following codes before establishing business relationship; violators will have active status revoked:</p> <ol style="list-style-type: none"> <li>1. Environmental protection regulations</li> <li>2. Regulations governing occupational safety and health policy</li> <li>3. Labor rights regulations</li> </ol>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary			
			<div> <div> 4. Ethical norms regulations The Company’s partnering suppliers in 2024 meet all of the following requirements: </div> <div> <table> <tr> <td>Supplier sustainability management</td> <td>Facilitating sustainability and ethical policy of suppliers; requiring new suppliers to participate in the assessment and comply with the code of sustainable conduct for suppliers, including signing the declaration of sustainability values, supplier training and education from time to time and completion of the ESG self-evaluation form for suppliers.</td> </tr> </table> </div> </div> <div> The company added CSR clauses in the contracts with suppliers, in which requires suppliers to comply with laws and regulations governing environmental protection, labor conditions, labor safety and health, and labor rights. The Company requires suppliers to jointly fulfill CSR with actual conducts. If a supplier is confirmed violating or failing to meet the norms, the Company may set a period and urge the supplier to fulfill or improve. If a supplier is confirmed violating or failing to meet the norms, the Company may set a period and urge the supplier to fulfill or improve. If the supplier fails to fulfill or improve within that period, the Company may terminate or rescind the contract. </div> <div> Furthermore, subsidiaries Cathay Life and Cathay United Bank have adopted ISO 45001 (valid periods- Cathay Life: 2022/3/14–2025/3/13 and Cathay United Bank: 2023/1/10–2026/1/10) and implemented the “Contractor and Outsourcee Safety and Health” guidelines for enhanced management over contractors. In addition to hazard warnings and coordination meetings, the subsidiaries also perform random safety inspections at work sites to ensure that occupational safety and health are maintained above satisfactory levels. </div>	Supplier sustainability management	Facilitating sustainability and ethical policy of suppliers; requiring new suppliers to participate in the assessment and comply with the code of sustainable conduct for suppliers, including signing the declaration of sustainability values, supplier training and education from time to time and completion of the ESG self-evaluation form for suppliers.	
Supplier sustainability management	Facilitating sustainability and ethical policy of suppliers; requiring new suppliers to participate in the assessment and comply with the code of sustainable conduct for suppliers, including signing the declaration of sustainability values, supplier training and education from time to time and completion of the ESG self-evaluation form for suppliers.					



Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			Since 2016, Cathay Financial Holding has been leading the financial industry in convening a sustainable supplier conference to conduct education, training, and exchanges on human rights and environmental protection through the sharing of sustainable practices with excellent suppliers. In 2024, the event theme was "Co-creating a Sustainable Supply Chain and Moving Towards Net Zero Emissions", inviting more than 100 suppliers to work with Cathay Pacific to achieve common prosperity and move towards a sustainable future.	
V. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Are the above mentioned reports supported by assurance or opinion of a third-party certifier?	✓		<p>Cathay Financial Holdings publishes annual sustainability reports in both Chinese and English. The 2023 sustainability report published in 2024 was prepared mainly based on the framework of the Global Reporting Initiative (GRI) Standards with the additional reference to the above-mentioned Sustainable Development Best-Practice Principles for TWSE/TPEX-Listed Companies, ISO 26000 Social Responsibility Guidelines, UN Global Compact, Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and UN Sustainable Development Goals (SDGs).</p> <p>The Company has appointed the BSI Taiwan Branch to verify the report in accordance with the GRI Standards and the AA1000AS v3 second verification type high assurance level verification. The independent verification assurance statement is publicly released in the appendix of this report. The Company has engaged PricewaterhouseCoopers (PwC) to corroborate its GRI Standards-based report on the sustainability performance and SDGs achievements using Statement of Assurance Principles - "Audit and Review of Non-financial Information" published by the Accounting Research and Development Foundation (based on International Standard on Assurance Engagements (ISAE3000)) and International Standard on Assurance Engagements (ISAE3410), to which PwC has concluded with an opinion of limited assurance, which can be found in the attachment to the 2023 Sustainability Report. Meanwhile, the Company has engaged the British Standards Institution (BSI Taiwan) to conduct verifications for the ISO 14064- 1:2018 greenhouse gas inventory, ISO 50001:2018 energy management system, ISO 14001:2015 environmental management systems and ISO 20400:2017 sustainable procurement, and the copies of the independent verification opinion and the assurance report have been provided in the Appendix section of the 2023 Sustainability Report.</p>	No significant difference

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
VI. If the Company has established its own sustainable development principles in accordance with the “Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies”, please describe its current practices and any deviations from the Best Practice Principles: The Company established the “Cathay Financial Holdings Corporate Sustainability Principles.” in accordance with the “Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies” in April 2012, and the Board of Directors approved the revision of the Principles as the “Corporate Sustainability Best Practice Principles for Cathay Financial Holding Co., Ltd.” in order to reduce the risks and impacts of environmental, social and corporate governance, and to grasp the corresponding opportunities, in order to achieve the three main earnings, namely economy, society and environment. The Company regularly reviews the implementation status in accordance with the Principles and improves accordingly. There is no difference in the implementation to date.				
VII. Other important information to facilitate better understanding of the Company’s promotion of sustainable development: In order to become the best sustainable financial institution in Asia Pacific, in addition to internal implementation of corporate sustainability governance, the Company externally influences its suppliers through upstream procurements and downstream loans, investments, etc. In 2024, it demonstrates the outstanding performance as follows: [International Evaluation] ➤ Cathay Financial Holdings has taken the initiative to participate in “DJSI” assessments for several years, and was selected as a composition of DJSI – World for seven consecutive years and remained as a composition of DJSI – Emerging Markets for ten consecutive years. ➤ As of the end of 2024, Cathay Financial Holdings was rated with the highest level of AAAs in the MSCI ESG evaluation, and was in a leading position in the industry. ➤ Cathay Financial Holdings was ranked 3rd in the world's life insurance industry by Sustainalytics. ➤ Cathay Financial Holdings was awarded the TCFD Report Award for the year, the first financial institution in Asia to be so awarded, by the well-known sustainable investment news and data analysis institution, “Environmental Finance,” for the “2022 Climate Strategy and Nature Risk Management Report.” The jury also praised the report as one of the most complete and most detailed examples of the TCFD Report Awards. ➤ The Cathay Financial Holdings integrated the resources of the Group to develop digital finance and technology, and was awarded 5 Gold and 3 Bronze awards of the global “Stevie Award”. It became a leading Taiwan enterprise in its gold awards achievements. ➤ Cathay Financial Holdings and Cathay Securities both won the “Best Corporate Employee Award” in 2024 Taiwan published by HR Asia, a magazine of Asian Human Resources. Cathay Financial Holdings was awarded three special awards while Cathay Securities was awarded first prize. Both companies were the first to receive such awards in Taiwan. ➤ Cathay United Bank was granted the 2024 Outstanding Award for Green Loan Structuring Advisor, The Sustainable Finance Award, and more for six major awards by the Hong Kong Quality Assurance Agency (HKQAA). ➤ Cathay Investment Trust was awarded 15 items of the 8th “Benchmark” Taiwan Annual Fund Award. ➤ Cathay Investment Trust won six awards of the Best of the Best Awards in 2024 by “Asia Asset Management” magazine.				

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
[Domestic Awards and Affirmations]				
<div>➤ Cathay Financial Holdings has participated in the net zero platform of the financial industry, and served as the convener of the fund and statistics work group, to promote the financial industry's scope 3 carbon emissions carbon emissions calculation and disclosure of the investment portfolio. In 2024, the scope 3 calculation challenge survey was completed, and two symposiums were held on the “Petrochemical” and “Transportation” industries in 2025. The sustainable financial website content of the financial industry was also planned, to compile the sustainable financial statistics survey, related guidelines and training information.</div> <div>➤ Cathay Financial Holdings received First Prize in the “Buying Power – Social Innovative Product and Service” scheme organized by the Small and Medium Enterprise Administration, Ministry of Economic Affairs for the 6th time.</div> <div>➤ Cathay Financial Holdings was awarded the 21st “National Brand Yushan Award” for the highest honor of “Outstanding Enterprise Award” and Cathay Securities was awarded the “Best Product Award”. Cathay Life Insurance, Cathay United Bank, Cathay Securities, and Cathay Century Insurance were awarded 9 awards in the “Outstanding Enterprise,” “Best Product,” and “Most Popular Brand” categories. This year, the Company won 11 awards in total.</div> <div>➤ Cathay Financial Holdings was awarded the 2024 Taiwan Corporate Sustainability Awards (TCSA) “Top 10 Sustainable Model Enterprise Award” (service sector), and the highest level of the “Sustainable Reporting Award Platinum Award” in the category. The subsidiaries, Cathay Life Insurance, Cathay Century Insurance, and Cathay Investment Trust were awarded the “Sustainable Reporting Award Platinum Award”, and Cathay Securities was awarded the “Sustainable Reporting Award Gold Award”, and Cathay Real Estate was awarded the “Sustainable Reporting Award Platinum Award”. In addition, Cathay Life Insurance, Cathay United Bank, Cathay Century Insurance, and Cathay Securities were awarded six sustainability single performance leader awards, and were recognized in the fields of “innovation and growth,” “information security,” and “talent development.”</div> <div>➤ Cathay Financial Holdings and its subsidiaries, Cathay Life, Cathay United Bank, Cathay Securities, and Cathay Securities Investment Trust, were awarded five “Exemplar” awards in the “Institutional Influence” category of the “2024 Taiwan Sustainable Investment Awards” organized by the Taiwan Institute for Sustainable Energy. The “Project influence” category was awarded to Cathay Securities with the “ESG innovation” and “Corporate Engagement” gold awards, and to Cathay Securities Investment Trust with the “ESG innovation” gold award.</div> <div>➤ Cathay Financial Holdings was ranked among the top three large-scale corporate financial holding groups for the Commonwealth Magazine's 2024 “Sustainable Citizen Award” for 12 consecutive years in the top ten corporate ranking.</div> <div>➤ Cathay's construction of the DEI Town and Youth Development Program was awarded the 2024 20th “Global Views” ESG Enterprise Sustainability Awards.</div> <div>➤ Cathay Financial Holdings was awarded the “Sustainable Finance Award” of the 2024 Financial Information and Finance Award for the second consecutive year, and the “Consumer Finance Brand Award”, customer recommendation gold award, was awarded to the Cathay Century Insurance. Cathay Life, Cathay United Bank, and Cathay Securities were awarded the “Customer Recommendations Award” of each industry category, and Cathay United Bank was awarded the “Impact Trust Award”.</div> <div>➤ In an attempt to encourage investees to pay attention to climate change issues and take action, the “Cathay Sustainable Finance and Climate Change Summit” was held by Cathay Financial Holdings for eight consecutive years. In 2024, the number of participants reached a record high of 4,800, and the number of participants accounted for</div>				

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			<p>82% of the market value of Taiwan's stock market and 54% of Taiwan's carbon emissions. This indicates that the companies responded to the issue of climate change with great attention.</p> <ul style="list-style-type: none"> <li>➤ Cathay Life Insurance, Cathay United Bank, Cathay Century Insurance, and Cathay Securities, the four subsidiaries of Cathay Financial Holdings, were all ranked among the top 25% of all financial institutions in the 2nd Sustainable Finance Evaluation organized by the Financial Supervisory Commission.</li> <li>➤ Cathay Life Insurance, Cathay United Bank, and Cathay Century Insurance were all awarded the first “Bank and Insurance Sector Climate-Related Financial Disclosure (TCFD) Report Evaluation” organized by the Center for Business Sustainability, National Chengchi University.</li> <li>➤ Cathay Life Insurance and Cathay Century Insurance were ranked among the top 25% of all securities firms in the 2024 Principle for Financial Service Industries to Treat Clients Fairly evaluation conducted by the Financial Supervisory Commission.</li> <li>➤ Cathay Life Insurance and Cathay Century Insurance were awarded seven awards in the “2024 Insurance Companies Cooperation Policy Promotion” organized by the Financial Supervisory Commission.</li> <li>➤ Cathay United Bank and Cathay Century Insurance participated in the 1st “Financial Education Contribution Award” held by the FSC. Cathay United Bank was awarded the “Best Cooperation Award - Excellent Award”, while Cathay Century Insurance was awarded the “Best Innovation Award - Gold Award” and “Best Cooperation Award - Excellent Award”.</li> <li>➤ Cathay United Bank was awarded the “Best Wealth Management Award”, “Best Consumer Banking Award” and “Best Personal Trust Banking Award” by the Taiwan Academy of Banking and Finance.</li> </ul>	

Note 1: If “Yes” is ticked in the “Implementation status” column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If “No” is ticked in the “Implementation status” column, please explain the deviations and the reasons in the “Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons” column and explain the Company’s plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEX listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, and review measures. It additionally shall describe the company’s risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: Financial Holding Companies that are not listed in the TWSE/GTSM do not have to fill in “Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons.”

Note 3: Materiality principle refers to environmental, social and corporate governance issues that are of material impact to the Company's investors and stakeholders.

Note 4: Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center.

Note 5: The renewable energy, greenhouse gas emissions, environmental data, etc. listed in the appendix are as of the date of publication of the annual report. Please refer to the 2024 Sustainability Report and official website for the final data.

**(VII) Climate-related Information of Financial Holding Companies (Table 2-2-3)**

**Implementation of Climate-related Information**

Item	Implementation Status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>In order to improve the performance of the Board of Directors and corporate sustainable governance, the Company has established the "Corporate Sustainability Committee" at the Board of Directors level, which is responsible for reviewing the relevant policies, systems, strategic directions and annual plans for sustainable development. The Company's "ESG Strategy Committee" is supervised by the "Corporate Sustainability Committee". The Company's President acts as the committee chairman, and the senior executives lead the work team to implement climate and nature related strategies and actions, including ESG factors being included in the financing management process, assessing ESG commodity services risks and opportunities.</p> <p>The Company has established an effective climate governance framework where the board of directors is the chief governance unit responsible for the approval of climate-related policies, strategies and goals and the oversight of climate management and disclosure. Supervising the "Climate Governance Meeting" and the "Climate and Nature Task Force" chaired by the Chief Risk Officer of the Financial Holdings, the Financial Holding's President is in charge of supervising the implementation of climate strategies and climate risk management actions. On August 15, 2024, the Financial Holdings appointed a Chief Climate Officer, who is concurrently the Chief Risk Officer, to strengthen the implementation of climate strategies and climate risk management.</p> <p>For relevant information, please refer to the Company's annual sustainability report and climate and nature report.</p>
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>The Company identifies the climate risks and opportunities, and their possible financial impact, the impact level, and the impact period (short, medium, and long-term). Take the high-carbon emission as an example of the risk of investment portfolio, which may cause the financial pressure of the Company's investees to rise or the default risk to increase, and thus the investment income will decrease. In addition, the Company's green innovative services, such as net-zero operations, satisfy the diverse needs of customers and increase their willingness to trade. For relevant information, please refer to the Company's annual sustainability report and climate and nature report.</p>
3. Describe the financial impact of extreme weather events and transformative actions.	<p>The Company evaluates the climate risks faced in its operations and core business, including financing, insurance products, and its own operations, and analyzes the financial impacts and strengthens the Company's resilience through scenario analysis. The results of scenario analysis show that all the risks are controllable, and are tracked and monitored every year. For relevant information, please refer to the Company's annual sustainability report and climate and nature report.</p>
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>The Company integrates the climate risk and corporate risk management framework, and has established ESG and climate risk management guidelines, to identify, assess and manage the climate-related physical and transformation risks of the investees. The Company regularly reports the implementation status to the Risk Management Committee and the Board of Directors. For relevant information, please refer to the Company's annual sustainability report and climate and nature report.</p>
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described	<p>The Company refers to the climate scenarios published by international organizations to analyze the scope of investment, including financing, insurance products, and its own operations. Take financing as an example. The Company refers to the parameters and analysis factors in the "Analysis of Network of Central Banks and Supervisors for Greening the Financial System (NGFS)" and the physical risk scenarios of the "Intergovernmental Panel on Climate Change (IPCC)" to assess and analyze the impact of climate change on the financing position. Please refer to the Company's annual sustainability report and climate and nature reports for the results of scenario analysis.</p>

Item	Implementation Status
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>To implement environmental-related goals, the Company has proposed an environmental sustainability blueprint under the main climate strategy in 2023. Through the three major aspects of green energy, green operation, and green real estate, the Group's "zero-carbon operation transformation plan" is steadily implemented, and the Group is on track to achieve the goal of net zero carbon emissions in 2050. The new work model of Cathay, which is based on the ecological sustainability of the Group's real estate, reduces the Company's operational emissions. It is the first financial institution in Taiwan to become a RE100 member, and the sixth financial institution in Asia to pass the SBT review. The new system provides customers with convenient access to renewable energy, and enables them to work with the Company to create a net economy and achieve sustainable goals. To achieve the goal, the performance of the President of the Cathay Financial Holdings and its subsidiaries are linked to carbon reduction performance. From the management to the execution unit, the organization culture of carbon reduction is shaped. For information on the sustainable blueprint of the environment, please refer to the annual sustainable report and the climate and nature report.</p> <p>In terms of "Green Energy," more than 90% of the CO2 emissions generated by Cathay Financial Holdings' operations come from purchased electricity. Therefore, systematic management and increasing the percentage of renewable energy use can improve the efficiency of energy management and reduce the impact on the environment. Cathay Financial Holding and subsidiaries focus on increasing the usage of renewable energy, building energy management system, adopting carbon pricing mechanism, installing own building's solar energy panel to achieve 2050 net zero carbon emission target; in the part of "Green Operation", we adapt to the telecommuting and booming development of digital transformation. Cathay Financial Holding incorporates green business concepts into its workplace, and has set carbon reduction goals. At the same time, it also minimizes per capita water consumption and per capita waste volume to reduce the Group's impact on the environment. On "Green Real Estate", Cathay Financial Holding believes that commercial real estate needs to coexist with the environment and social prosperity. We have committed to ensure that all new buildings invested and developed by ourselves have obtained green building labels since 2017, and are committed to building a low-carbon real estate ecosystem. We work with customers to achieve net zero and help small and medium-sized enterprises to more conveniently obtain electricity from renewable energy sources. For related environmental sustainability blueprint information, please refer to the Company's Sustainability Report and Climate and Nature Report.</p>

Item	Implementation Status
<p>7. If internal carbon pricing is adopted as a planning tool, the basis for pricing should be described.</p>	<p>The Cathay Financial Holdings and its subsidiaries continue to monitor the development trends of domestic and foreign carbon pricing, and have successively introduced internal carbon pricing mechanisms in response to the concept of “putting a price on carbon emissions, and carbon emitter pays.” The cost of carbon reduction for each tonne of carbon dioxide is over US\$100 for Cathay Group.</p> <p>As a pioneer in net-zero carbon reduction, the company has pledged to achieve net-zero carbon emissions by 2050, launch the "First Year of Carbon Management" in 2024, introduce international carbon neutrality verification, and promote the three major strategies of "green operations", "green electricity" and "international carbon rights offset". The group mobilized its entire group, and its four major company headquarters and multiple locations, including Cathay Financial Holdings, Cathay Life, Cathay United Bank, and Cathay General Insurance, fully passed the PAS 2060 international carbon neutrality standard and were awarded six verification certificates, marking an important milestone on the road to net zero.</p> <p>Adopt the model of "reducing carbon first, introducing green electricity, and then offsetting carbon rights" to promote green operations, introduce the concept of shared workplace, create flexible office space, and replace traditional desktops with remote connections. In 2023, operating electricity consumption will decrease by 3.8% year-on-year, to approximately 4.33 million kWh.</p> <p>At the same time, Cathay Life Insurance launched "Green Leasing 2.0" to integrate the green electricity procurement process, and will introduce 17 million kWh of green electricity for the group in 2023, accounting for 96% of the total green electricity consumption. The goal is to use 100% green electricity at the headquarters in 2025 and to achieve the standard for all locations in Taiwan by 2030.</p> <p>To accelerate carbon reduction, the internal carbon pricing mechanism is integrated into procurement and electricity saving competitions, so that "carbon emissions have a price" can be implemented in operations, build consensus on carbon reduction, steadily move towards the 2050 net zero target, and contribute to the sustainability of the earth.</p>
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>In order to achieve its carbon reduction target and respond to the national Net Zero policy for the promotion of renewable energy and green operations, the Company established these targets: “the accumulated carbon emissions reduction for the period from 2021 to 2030 should be at least 42%, with 2020 as the base year”. As a means to periodically inspect the Group’s carbon reduction performance, the Company launched the comprehensive greenhouse gas inventory for its domestic locations in 2016, extended the scope to overseas locations in 2021 and matched the scope to that of financial statement disclosure in 2022.</p> <p>(1) Scope of inventory: The 10 companies including Cathay Financial Holdings, Cathay Life, Cathay United Bank, Cathay Century Insurance, Cathay Securities, Cathay Securities Investment Trust, Cathay Securities Investment Consulting, Cathay Venture, Cathay Futures and Cathay Private Equity, the 1,296 domestic business locations and the 236 overseas locations. In addition, in accordance with the provisions of the “Sustainable Development Roadmap” announced by the TWSE in March 2022, the financial statement disclosure boundary will be examined on a rolling basis annually, and the scope of greenhouse gas inventory will be adjusted accordingly.</p> <p>(2) Inventory items: Including Scope 1, Scope 2 and Scope 3 (including but not limited to business travel, water usage and waste of business location, emissions of insurance service and credit card service, and credit and loan services).</p> <p>(3) 2024 carbon reduction performance: Compared to the base year, 2020, the operating emissions of 2024 have been reduced by 19.20 %.</p> <p>(4) Renewable energy: In response to the RE100 trend, the Company became the first RE100 member in the financial sector in Taiwan in April 2024, and it has set out the goals of 100% renewal energy consumption in the headquarters of Cathay Financial Holdings, Cathay United Bank, Cathay Life and Cathay Century Insurance by 2025, 100% renewable energy consumption in all business locations in Taiwan by 2030 and, ultimately, 100% renewable energy consumption in all business locations globally by 2050. A dual-system of renewable energy wheeling and Taiwan Renewable Energy Certificate (T-RECs) is in operation currently, and 30,530,726 kWh from this dual system were consumed in 2024, achieving 26.06% of the targeted renewable energy consumption</p>

Item	Implementation Status
9. Greenhouse gas inventory and assurance (to be completed in Table 1- 1 and 1- 2)	As the table below.

Note 1: Note1: To strengthen risk management and enhance the effectiveness of the Board, the “Risk Management Committee” was upgraded to a functional committee under the Board with effect from 2023/4/1, chaired by an independent director of the Company.

Note 2: The renewable energy, greenhouse gas emissions, environmental data, etc. listed in the appendix are as of the date of publication of the annual report. Please refer to the 2024 Sustainability Report and official website for the final data.



## 1-1 Greenhouse gas inventory and assurance

### 1- 1-1 Greenhouse gas inventory

Basic information of the Company ■ Companies with more than \$10 billion in capital	Pursuant to our requirements, disclosures shall be made at least ■ Inventory of the parent company ■ Inventory of the subsidiaries in the consolidated financial statements ■ Assurance of the parent company ■ Assurance of subsidiaries in consolidated financial statements
--	--

Scope			Total emissions (tons CO2e)		Intensity (metric tons CO2e/NT\$ million)	
			2023	2024	2023	2024
Scope 1	Company		25.6625	19.7762	0.00	0.00
	Subsidiary Company		4,005.5290	7,601.4579	0.01	0.02
	Subsidiaries overseas (consolidated with the domestic inspection)		1,424.7833	980.2776	0.00	0.00
	Total		5,455.9748	8,601.5117	0.02	0.02
Scope 2	Company		1,122.4089	1,265.893	0.00	0.00
	Subsidiary Company		52,477.6810	54,007.4973	0.17	0.15
	Subsidiaries overseas (consolidated with the domestic inspection)		7,037.6086	6,068.8630	0.02	0.02
	Total		60,637.6985	61,342.2533	0.20	0.17
Scope 3	Operating and carbon mission		291,279.73	319,298.00	6.48	7.10
	Financial asset-side carbon emissions (Note1)(Note 2)	Investment in own assets	9,971,130.39	11,018,838.17	2.17	2.26
		Asset Management Investment	1,478,497.11	1,270,050.55	2.21	1.50
		Credit	629,053.00	681,117.51	-(Note 3)	-(Note 3)

Note 1: For assurance and verification of Category 3 financial asset carbon emissions, together with the sustainability report, please refer to our company's 2024 Sustainability Report.

Note 2: The Company calculates financed emissions in accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology. Proprietary investments include listed equity and corporate bond holdings across life insurance, banking, property insurance, and securities businesses, while assets under management refer to listed equity and corporate bond investments managed by the Company's investment trust business. In 2023, credit portfolios included project finance in power generation, commercial real estate mortgages, and long-term corporate loans under the banking business. In 2024, the scope was expanded to cover both the life insurance and banking businesses. The disclosed financed emissions represent the Scope 1 and Scope 2 emissions of the investees or borrowers.

Note 3: The Company disclosed economic carbon intensity or physical carbon intensity by type of credit loan asset. Please refer to the Company's 2023 and 2024 Sustainability Reports for details.

Note 4: The greenhouse gas emissions data listed in the attached table is as of the date of publication of the annual report. Please refer to the 2024 Sustainability Report and official website for the final data.

## 1- 1-2 Greenhouse gas iassurance

Scope			2023		2024	
			Assurance institution	Description of assurance	Assurance institution	Description of assurance
Scope 1			British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 reasonable assurance level.	British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 reasonable assurance level.
Scope 2			British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 reasonable assurance level.	British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 reasonable assurance level.
Scope 3	Operating end carbon mission		British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 limited assurance level.	British Standards Institute (BSI)	British Standards Institution is commissioned to verify the ISO 14064- 1 limited assurance level.
	Financial asset-side carbon emissions	Investment in own assets	PwC Taiwan, British Standards Institute (BSI)	The total emissions have been entrusted to PwC Taiwan to conduct the limited assurance of the independent audit in accordance with ISAE 3410. The BSI was commissioned to verify the AA1000 Type 2 high level of assurance for the intensity and the 2023 Sustainability Report.	PwC Taiwan, British Standards Institute (BSI)	The total emissions have been entrusted to PwC Taiwan to conduct the limited assurance of the independent audit in accordance with ISAE 3410. The British Standards Institution was commissioned to verify the AA1000 Type 2 high level of assurance for the intensity and the 2024 Sustainability Report.
		Asset Management Investment	British Standards Institute (BSI)	The BSI was commissioned to verify the AA1000 Type 2 high level of assurance for the total emissions, intensity and the 2023 Sustainability Report.	British Standards Institute (BSI)	The British Standards Institution was commissioned to verify the AA1000 Type 2 high level of assurance for the total emissions, intensity and the 2024 Sustainability Report.
		Credit	PwC Taiwan, British Standards Institute (BSI)	The total emissions have been entrusted to PwC Taiwan to conduct the limited assurance of the independent audit in accordance with ISAE 3410. The BSI was commissioned to verify the AA1000 Type 2 high level of assurance for the intensity and the 2023 Sustainability Report.	PwC Taiwan, British Standards Institute (BSI)	The total emissions have been entrusted to PwC Taiwan to conduct the limited assurance of the independent audit in accordance with ISAE 3410. The British Standards Institution was commissioned to verify the AA1000 Type 2 high level of assurance for the intensity and the 2024 Sustainability Report.

## 1-2 greenhouse gas reduction targets, strategies and concrete action plans

The Company has promised to achieve net zero carbon emissions of financial assets and operations in 2050, and it is the first financial institution in Taiwan to become a RE100 member, and the sixth financial institution in Asia to pass the SBT review in 2022. The specific goals include:

Renewable energy target: 100% of all Taiwan branches will use renewable energy in 2030, and 100% of global operations will use renewable energy in 2050.

The carbon reduction target for operations: based on the year 2020, the cumulative carbon reduction from 2021 to 2030 reached at least 42% compared to 2020.

Carbon reduction target for financial assets:

TWSE listed stocks and corporate bonds (Investment in own assets)	Portfolio Temperature (Note 1)	The temperature of the investment portfolio dropped to 2.68°C in 2026 (scope 1+2). The temperature of the investment portfolio dropped to 2.79°C in 2026 (scope 1+2+3).
TWSE listed stocks and corporate bonds (asset management)	Portfolio Temperature	The temperature of the investment portfolio dropped to 2.72°C in 2026 (scope 1+2). The temperature of the investment portfolio dropped to 2.81°C in 2026 (scope 1+2+3).
Financing of power generation projects	Sectoral Decarbonization Approach (SDA) (Note 2)	Based on 2019, emissions intensity in 2026 will drop by 33%.
Corporate loan - commercial real estate	Sectoral Decarbonization Approach (SDA)	Based on 2019, the emission intensity in 2026 will drop by 39%.
Corporate loan - power generation	Sectoral Decarbonization Approach (SDA)	Based on 2019, the emission intensity in 2035 will drop by 69%.
Corporate loan - other long-term loan	Sectoral Decarbonization Approach (SDA) SBTi Portfolio Coverage Approach (Note 3)	Based on 2019, the corporate long-term loans from the financial industry, retail industry, service industry, restaurant and lodging industry, and real estate development industry, the carbon reduction per square meter of floor area in 2035 is 73%. 33% of the petrochemical, electronics and electronic equipment, general manufacturing, and semiconductor industries have set up SBT targets to pass the certification in 2026.

Note 1: The Temperature Method uses the tools provided by SBTi to transform the carbon reduction target of the borrower into the temperature rise at the end of the century.

Note 2: The Sectoral Decarbonization Approach (SDA) is defined by SBTi to set carbon reduction targets for total carbon emissions or carbon emissions intensity based on the emissions reduction lines that meet the goals of the Paris Agreement.

Note 3: The SBT Portfolio Coverage is to require the Company to set up the SBT target and pass the certification for a certain percentage of the position.

To implement the environmental-related goals, the Company has proposed the blueprint of sustainable and low-carbon economy under the main pillar of climate strategy in 2023.

In terms of environmental sustainability blueprint, through the three major aspects of green energy, green operation, and green real estate, the Group's "zero-carbon operation transformation plan" is steadily implemented, and the Group is on track to achieve the goal of net zero carbon emissions in 2050. The new work model of Cathay, which is based on the ecological sustainability of the Group's real estate, reduces the Company's operational emissions. It is the first financial institution in Taiwan to become a RE 100 member, and the sixth financial institution in Asia to pass the SBT review. The new system provides customers with convenient access to renewable energy, and enables them to work with the Company to create a net economy and achieve sustainable goals. To achieve the goal, the performance of the President of the Cathay Financial Holdings and its subsidiaries are linked to carbon reduction performance. From the management to the execution unit, the organization culture of carbon reduction is shaped.

In terms of "Green Energy," more than 90% of the CO<sub>2</sub> emissions generated by Cathay Financial Holdings' operations come from purchased electricity. Therefore, systematic management and increasing the percentage of renewable energy use can improve the efficiency of energy management and reduce the impact on the environment. Cathay Financial Holding and subsidiaries focus on increasing the usage of renewable energy, building energy management system, adopting carbon pricing mechanism, installing own building's solar energy panel to achieve 2050 net zero carbon emission target; in the part of "Green Operation", we adapt to the telecommuting and booming development of digital transformation. Cathay Financial Holding incorporates green business concepts into its workplace, and has set carbon reduction goals. At the same time, it also minimizes per capita water consumption and per capita waste volume to reduce the Group's impact on the environment. On "Green Real Estate", Cathay Financial Holding believes that commercial real estate needs to coexist with the environment and social prosperity. We have committed to ensure that all new buildings invested and developed by ourselves have obtained green building labels since 2017, and are committed to building a low-carbon real estate ecosystem. We work with customers to achieve net zero and help small and medium-sized enterprises to more conveniently obtain electricity from renewable energy sources. A dual-system of renewable energy wheeling and Taiwan Renewable Energy Certificate (T-RECs) is in operation currently. In 2024, a total of 30,530,726 kWh of green power conversion and T-RECs were used, achieving the goal of using 26.06% of renewable energy in Taiwan.

In terms of the blueprint for a low-carbon economy, the three major strategies are:

1. Net zero emission of financial assets in 2050: Through scientific decarbonization goals setting and promoting the transformation of financial assets, achieving net zero emissions; for this, the Company and its subsidiaries have strengthened control of the high-carbon industry and planned investment and transformation plans. For unconventional oil and gas, the control policy is implemented, and high-risk climate industries such as the steel industry and the cement industry are included in the control, and a coal withdrawal strategy is formulated. In terms of credit, Cathay United Bank has established zero coal financing goals and schedules, and the coal industry chain-related credit line at the end of Q1 2027 has reached zero. In terms of investment, the Group has established a step-by-step elimination of coal strategies, and will not add new investment revenue exceeding 5% and actively transform the coal value chain enterprise in 2040. To achieve the above goals, Cathay Financial Holdings has adopted the TCFD method to calculate the weighted average carbon intensity (WACI) of its investment portfolio since 2018; The Partnership for Carbon Accounting Financials (PCAF) was adopted to calculate the total carbon emissions and economic carbon emissions intensity of financial assets since 2020; the carbon emissions of the investment portfolio are monitored continuously.
2. Climate Action Leader: Use the power of words to communicate with stakeholders in the financial value chain, and work together to promote the corporate climate response actions and build climate resilience. Cathay Financial Holdings will communicate with its investees and credit customers to promote them to disclose carbon results, set more specific mid- and long-term carbon reduction goals, or join international carbon reduction organizations such as SBT/RE100. Cathay Financial Holdings has participated in numerous initiatives such as the Asia Investor Group on Climate Change, CDP Non-Disclosure Campaign, and Climate Action 100+, including the Asia Utilities Engagement Program, to promote the acceleration of the transformation of the Asian electricity industry. Cathay has been listed as one of the best examples of the global best practice cases of Investor Climate Action Plans (ICAPs) published by the International Initiative on Investor Agenda for two consecutive years, and is the only asset owner in Asia to be selected.
3. The provider of all-around climate financial solutions: Through funds or financial products and services, the Company supports enterprises and industries to create low-carbon transformation opportunities or mitigate and adapt to climate change, so as to make industrial transformation more competitive, and to promote the society to move towards the green economy era. The Company's three major strategies are "Green Capital", "Green Product", and "Green Service", such as green loans, sustainable syndicated loans, green insurance, green bond underwriting, and natural disaster risk damage prevention services, to support and assist enterprises with low-carbon transformation.

Note: The renewable energy, greenhouse gas emissions, etc. listed in the appendix are as of the date of publication of the annual report. Please refer to the 2024 Sustainability Report and official website for the final data.

**(VIII) Enforcement of business integrity, deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies (Table 2-2-4)**

**Business integrity management**

Scope of assessment	Implementation Status (Note 1)			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons (Note 2)
	Yes	No	Summary	
I. Enactment of ethical management policy and program (I) Has the company established a set of board-approved business integrity policy, and stated in its Memorandum or external correspondence about the policies and practices it implements to maintain business integrity? Are the board of directors and the senior management committed to fulfilling this commitment?	✓		The Company established a set of “Business Integrity Policy and Code of Conduct” on November 13, 2019 based on “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies” to provide the foundation needed to support business integrity, corporate culture, corporate governance, risk management and a sustainable business environment. This code of conduct was reported to the board of directors in 2019.	No significant difference
(II) Has the company developed systematic practices for assessing integrity risks? Does the company perform regular analyses and assessments on business activities that are prone to higher risk of dishonesty, and implement preventions against dishonest conducts	✓		The Company's “Business Integrity Policy and Code of Conduct” and “Operational Procedures and Guidelines of Ethical Corporate Management Best Practice” specifically outline and prohibit dishonest behaviors (which refers to any direct or indirect offering, commitment, request or acceptance of inappropriate gains by an insider over the course of business activity in an attempt to gain or sustain advantage, or any other conducts that are considered illegal or constitute breach of integrity or fiduciary duty). Meanwhile, whistleblowing channels have been made available under “Regulations Governing Reporting Unethical or Dishonest Behavior Cases” and “Cathay Group Whistleblower System.” Each year, the Company implements the “Employee Integrity and Ethical Conduct Education and Training” on all official employees to	No significant difference

that include at least the measures mentioned in Paragraph 2, Article 7 of “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?			ensure that all employees understand the regulations of the Company, thereby preventing the occurrence of relevant events and violations.	
(III) Has the company defined and enforced operating procedures, behavioral guidelines, penalties and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	✓		<p>The Company has established business integrity practices and preventions against dishonest conducts based on its “Business Integrity Policy and Code of Conduct.” Preventions of dishonest conduct include operating procedures, behavioral guidelines and training programs, for which the Company has implemented through a separate policy called “Operational Procedures and Guidelines of Ethical Corporate Management Best Practice.” The Company is bound to comply with The Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest and any laws that pertain to business conduct of TWSE/TPEX listed companies. These regulations shall provide the foundation for the Company's integrity management. Furthermore, the Company’s directors, managers, employees and controllers are prohibited from offering, committing, requesting or accepting any illegitimate benefits, or involving in any conducts that would be construed as dishonest, illegal or in breach of trust, whether directly or indirectly, while carrying out their duties. All reported cases of violations against business integrity shall be thoroughly investigated by the audit unit; any established cases of misconduct will be referred to the Human Resources Div. and disciplined according to the Company’s policies.</p> <p>The Company has created a “Sustainable Governance Panel” under the “Corporate Sustainability Committee,” the latter reports directly to the board of directors. The panel is responsible for corporate governance-related matters within the group, such as business integrity, anti-corruption, anti-bribery and compliance; it reports progress regularly (at least once a year to) the board of directors. The board of directors of the Company will exercise the duty of care as prudent managers to supervise and prevent dishonest conducts, and ensure that the integrity policy is duly enforced. Furthermore, the Audit Division is required to include compliance with the code of conduct as part of its audits, and report regularly back to the board of directors on any defects found and any steps taken to improve.</p>	No significant difference
II. Implementation of ethical management (I) All reported cases of	✓		The Company is bound by the “Business Integrity Policy and Code of Conduct” to conduct business activities in the utmost fairness and integrity. Prior to commencing business dealings, the Company is required to evaluate the legitimacy and credibility of its counterparties, and	No significant difference

violation against business integrity shall be thoroughly investigated by the audit unit; any established cases of misconduct will be referred to the Human Resources Div. and disciplined according to the Company's policies.			thereby avoid dealing with entities that demonstrate poor integrity. The code of conduct also recommends the inclusion of integrity clauses in contracts signed with other parties.	
(II) Does the company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year)?	✓		The Company has created a “Sustainable Governance Panel” under the “ESG Strategy Committee,” the latter reports directly to the board of directors. The panel is responsible for corporate governance-related matters within the group, such as business integrity, anti-corruption, anti-bribery and compliance; it reports progress regularly (at least once a year to) the board of directors. Furthermore, the “Business Integrity Policy and Code of Conduct” is maintained by the Administration Division, and establishment, amendment and abolishment of which is subject to board of directors' consent. The board of directors of the Company will exercise the duty of care as prudent managers to supervise and prevent dishonest conducts, and ensure that the integrity policy is duly enforced. Furthermore, the Audit Division is required to include compliance with the code of conduct as part of its audits, and report regularly back to the board of directors on any defects found and any steps taken to improve.	No significant difference
(III) Has the Company defined any policy against conflict of interest, provides adequate channel thereof, and fulfills the same precisely?	✓		Directors are expected to exhibit a high level of discipline according to the Company's “Business Integrity Policy and Code of Conduct.” If a director, or a corporate entity represented by the director, is in conflicting interest against the Company with respect to a motion proposed in a board of directors meeting, the director shall explain key details of the conflicting interest during the current meeting session and may still express opinions and answer queries but must not participate in the discussion or voting of such motion. In addition, the director may not exercise voting rights on behalf of other directors with respect to the motion. Directors must also exercise self-discipline and refrain from backing up each other in inappropriate ways. Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter. Directors and managers of the Company must not exploit their vested authorities for improper gains, whether for themselves or for spouse, parents, children, or any other parties.	No significant difference

<p>(IV) Has the company implemented an effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the outcome of integrity risk assessment, and to audit employee compliance with various preventions against dishonest conduct?</p>	✓	<ol style="list-style-type: none"> <li>1. The Company has developed an effective accounting policy. According to the Company's "accounting policy" and "subsidiary financial supervision policy," the Finance Division is required to obtain monthly management reports, including operations reports, balance sheets, income statements, cash flow statements, accounts receivable aging/quality analysis and overdue receivables statements, from each subsidiary to facilitate analysis.</li> <li>2. The Company has developed an effective internal control system. Internal audit units are required to perform audits on employees' compliance with the above system, including general audits at least once a year, and special audits on finance, risk management and compliance for the Company and subsidiaries at least once every six months. Half-yearly special audits can be exempted if the general audit already covers the scope of the special audit and no major defect is found.</li> <li>3. Before the end of each financial year, the Company is required to prepare audit plans for the upcoming year and submit them in writing for approval of the Audit Committee and board of directors. The audit plan must address business integrity and execution, and shall be carried out accordingly once approved.</li> </ol>	No significant difference
<p>(V) Has the Company organized internal/external education training program for ethical management periodically?</p>	✓	<p>Integrity is the Company's core value. The Company has outlined in its "work rules," "Ethical Behavior Guidelines," "Employee Code of Conduct" and management policies the behaviors that employees are bound to obey, and disciplinary systems to enforce such behaviors. Training is organized regularly to promote employees' awareness towards the Money Laundering Control Act, Sexual Harassment Prevention Act, and the Personal Information Protection Act. The Company organized multiple trainings on integrity-related issues in 2024 (e.g.: annual training on integrity and ethics, orientation training on compliance, compliance officer conference and AML education and training). These sessions received a total of 1,125 enrollments and delivered 1,605 person-hours of training.</p>	No significant difference
<p>III. Status of the Company's complaint system</p> <p>(I) Has the Company defined a specific complaints and rewards system, and established some convenient complaint channel, and assigned</p>	✓	<p>According to the Company's "Business Integrity Policy and Code of Conduct," any violation of business integrity involving the Company's directors, managers or employees must be reported immediately to the board of directors, the Audit Committee or the audit unit. The Company also has the responsibility to maintain secrecy of the informant's identity and details of the misconduct report. All reported cases shall be thoroughly investigated by the audit unit; any established cases of misconduct shall be referred to the Human Resources Div. and disciplined according to the Company's policies. The name and title of the offender and the date, details and progress of the offense will be disclosed over the Company's Intranet. Furthermore, according</p>	No significant difference



competent dedicated personnel to deal with the situation?			to the Company's "Employee Discipline and Reward Guidelines": employees are rewarded credits for uncovering forgery, alteration or impersonation that lead to the prevention or mitigation of losses for the Company or customers; a merit is awarded for reporting fraud or attempting to prevent other harmful acts that lead to the mitigation of losses for the Company; and a major merit is awarded for reporting or assisting in the investigation of crime that lead to the mitigation of losses for the Company. The informant rewards mentioned above are intended to enhance the whistleblower system. In addition, an "Independent Director Mailbox" has been created on the external website to facilitate sound communication between independent directors and the Company's employees, shareholders and stakeholders for better corporate governance. Meanwhile, a "Chairman's Mailbox" has been made available on the Company's Intranet to gather employees' suggestions with respect to the Company's management, system and policies. The Company was the first financial holding company to implement a group-wide whistleblower system for insiders as well as outsiders, with defined policies to protect the legal rights of informants and relevant personnel. Details of "Cathay Group Whistleblower System" and the Company's "Regulations Governing Reporting Unethical or Dishonest Behavior Cases" have been disclosed on website ( <a href="http://www.cathayholdings.com">http://www.cathayholdings.com</a> ); together, they outline the departments responsible, the reporting channels available, the procedures involved and the disciplinary measures in place. Persons accused of misconduct are given the opportunity to state their opinions or appeal before the final decisions are made.	
(II) Has the company implemented any standard procedures for handling reported misconducts, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?	✓		According to the Company's "Business Integrity Policy and Code of Conduct," any violation of business integrity involving the Company's directors, managers or employees must be reported immediately to the board of directors, the Audit Committee or the audit unit. The Company also has the responsibility to maintain secrecy of the informant's identity and details of the misconduct report. All reported cases shall be thoroughly investigated by the audit unit; any established cases of misconduct shall be referred to the Human Resources Div. and disciplined according to the Company's policies. The name and title of the offender and the date, details and progress of the offense will be disclosed over the Company's Intranet.	No significant difference
(III) Has the Company adopted any measures to prevent the complainants from being abused after filing complaints?	✓		According to the Company's "Business Integrity Policy and Code of Conduct," the Company has the responsibility to maintain secrecy over the informant's identity and details of the misconduct report. The audit unit is required to include compliance with the code of conduct as part of its audits, and report regularly back to the board of directors on any defects found and any steps taken to improve, thereby ensuring that the informant is not subjected to improper treatment.	No significant difference

IV. Enhancing Information Disclosure Has the Company has disclosed the Ethical Management Principles and effect of implementation thereof on its website and Market Observation Post System?	✓		The Company's "Business Integrity Policy and Code of Conduct" and "Operational Procedures and Guidelines of Ethical Corporate Management Best Practice" have been disclosed on website ( <a href="http://www.cathayholdings.com">http://www.cathayholdings.com</a> ) and on "Market Observation Post System." The Company has assigned dedicated personnel to gather, disclose and update information regularly on its website. Website information has been made available in Traditional Chinese and English for enhanced disclosure.	No significant difference
V. If the Company has established ethical management principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the principles and their implementation: None.				
VI. Other information material to the understanding of ethical management operation (e.g. discussion of an amendment to the ethical management best practice principles defined by the company): Corporate social responsibility clauses have been included in supplier contracts to enforce corporate social responsibility and integrity practices among suppliers.				

Note 1:

Regardless "Yes" or "No", the status shall be stated in the Remarks section.

Note 2: Non-TWSE and non-TPEX listed financial holding companies need not explain "Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies."

**(IX) Other information material to the understanding of corporate governance within the Company**

1. All directors, managers and insiders are issued a copy of “Notes on Change of Insider Shareholding” upon commencement of duty to prevent insider trading. Each director is given a copy of “Director Handbook” and “Legal Knowledge Manual for Directors and Supervisors of TWSE/TPEX Listed Companies,” “Notes on Securities Market Regulations for Directors, Supervisors and Major Shareholders of TWSE Listed Companies” and “Legal Knowledge Manual for Independent Directors” prepared by Taiwan Stock Exchange Corporation upon commencement of duty. These documents help directors understand more about securities regulations and reporting requirements and legal responsibilities of a public-listed company.
2. The Company has implemented “Material Information Announcement and Management Guidelines/Rules” and “Material Information Press Conference Rules” based on “Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities” to regulate announcement and management of material information within the Company and subsidiaries. All above policies have been disclosed on the legal section of the Company’s Intranet to ensure compliance from all employees while avoid violation or occurrence of insider trading.
3. The Company has also adopted the “Ethical Management Best-Practice Policy and Principles,” “Procedures for Ethical Management and Guidelines for Conduct,” “Codes of Ethical Conduct” and “Employee Code of Conduct,” including the requirements about “Prohibition of Insider Trading.” The Company also organizes the education and promotion of “Integrity, Ethics and Code of Conduct” for its directors, managers and employees each year. The promotional program for 2024 was completed in December. The Company also strengthened the promotion and presentation about legal bases, principles and related guiding cases of the “Prohibition of Insider Trading.” In 2024, a total of 697 trainees attended the program, delivering a total of 697 person hours.

For directors, copies of the “Business Integrity Policy and Code of Conduct,” “Business Integrity Procedures and Behavioral Guidelines” and “Ethical Behavior Guidelines” were issued for comprehension, acknowledgment and compliance. For managers and employees, training materials have been placed on the internal training platform and made readily accessible at any time. These training materials not only convey prohibition against insider trading, but also explain the Company’s rules on anti-money laundering, prohibition against gifts and treatment, participation in public affairs, political donations etc., using case studies where appropriate. Pursuant to “Directions for Managing Prevention of Insider Trading,” the Company notifies the directors that they are prohibited from trading the Company’s shares during the closed period of 30 days prior to the announcement of the annual financial report, and 15 days prior to the announcement of the quarterly financial report. The dates to submit each financial report, and the close period for trading the Company’s shares are notified to the directors at the same time for their compliance, and prevent them from violating the Directions.

4. Please refer to “Status of Corporate Governance, deviation and causes of deviation from Corporate Governance Best-Practice Principles: VI. Other important information enabling a better understanding of the company’s corporate governance? ”
5. Managers’ ongoing education

Title	Name	Course name	Course hours
President	Chang-Ken Lee	[Consulting Team] Information security overall implementation status report - 20240301	0.6
		2024 1st Social Engineering Education and Training	0.6
		2024 Risk Management Annual Education and Training	0.7
		Education and Training of Information Security for Directors and Supervisors	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5

	[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
	Business Continuity Management Annual Education and Training	0.5
	2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
	2024 1st Information Security Education and Training	1.7
	2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
	Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
	Personal Information Protection Education and Training	0.7
	2024 2nd Social Engineering Education and Training	0.5
	CTF Training for Directors and Supervisors	1.0
	2024 Internal Compliance _ Regulatory Letter Course / Education and Training Dept.	13.5
	2024 Internal Compliance _ Senior Citizen Insurance Rights Protection Course / Education and Training Dept.	2.0
	2024 Internal Compliance _ Principles of Fair Treatment to Customers Course / Education and Training Dept.	3.0
	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.8
	2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	2.4
	Legal courses - 2024 property insurance registration representative (advanced mandatory courses)	10.1
	2024 2nd Information Security Education and Training	1.2
	2024 Information Security Education and Training for Directors, Supervisors and Senior Management	1.0
	2024 Education Training for Fair Treatment for Directors, Supervisors and Senior Management	0.5
	2024 Board of Directors, Supervisors and Senior Manager Anti-Money Laundering and Counter Terrorism Financing Education and Training Materials	1.0
	2024 Online Course for Directors/Supervisors – IFRS 17 Education and Training	3.0
	Summit of Taiwan's Capital Market	3.0
	2024 Cathay Sustainable Finance and Climate Change Summit	6.0
	First Movers Coalition (FMC)	8.0
	Analysis of geopolitical judgments and Taiwan Strait security situation	1.5
	Analysis and outlook of the important trends in the global economy and financial market	3.0
	Symbiosis and co-creation - 2024 CommonWealth Economic Forum	2.5
	Research and Training Funds Committee	1.0
	Fund Utilization Management Committee	0.5
	International Workshop on Asset and Liability Management of the Two-System Insurance Industry	7.0
	White Paper of Financial Suggestions	2.0
	[Information security seminar] Description of common external fraud cases in the financial industry	1.0
	Sustainable Transformation and Achievement Seminar	2.5
	The three strategies for the new era of globalization	2.0
	Campus Tour of Impact Investment	2.0

		Operation and strategy of the financial holding company	4.0
		Climate investment summit	24.0
		2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		Taiwan's Economic and Industrial Innovation Development	1.0
		Under the trend of GenAI, the business opportunities of the AI hardware supply chain in Taiwan/ESG development trends analysis	1.0
		Life insurance companies and implementation of a new settlement efficiency standard forum	3.5
		Asian Asset Management Center Policy and Industry Summit	4.5
		Analysis and outlook of the international financial market	3.0
		World Climate Summit	64.0
		New Policy Forum	2.0
Chief Financial Officer	Grace Chen	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		2024 Social Engineering Education and Training	1.2
		2024 Risk Management Annual Education and Training	0.6
		2024 basic intellectual property education and training	0.5
		Business Continuity Management Annual Education and Training	0.5
		2024 General Labor Safety and Health Annual In-Service Education and Training	1.0
		2024 Information Security Education and Training	2.5
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Personal Information Protection Education and Training	0.5
		2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training for Directors and Senior Management	1.0
		Digital Trust and Sustainable Development	0.9
		2024 Sexual Harassment Prevention Course	0.5
		Description of common external fraud cases in the financial industry	1.0
		Internal Ratings-Based Approach (IRB)	0.5
		Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0
		2024 Financial Inclusion Education and Training	2.0
		Promoting corporate sustainability through risk management	3.0
		ESG Trend and Pandemic Environment Interview Global Tax System Reform and Corporate Tax Governance	3.0
		The new trend of the industry - robot chat, CHATGPT	3.0
		2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		De-dollarisation is the key to winning the Sino-US trade war	2.5
		Analysis of the business challenges of the life insurance industry - the impact of the reform of the efficiency system on the development of the life insurance industry in Taiwan	2.5
		The impact of regional economic integration and digital economy in China on the development and application of Renminbi as a digital currency	2.5
		Discussion about the relationship between the global financial cycle, monetary policies, and overall prudent policies	2.5
		Taiwan's carbon pricing and the research of enterprises' responses	2.5

Senior Executive Vice President	David P. Sun	2022 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	3.0
		2024 1st Social Engineering Education and Training	1.0
		2024 Risk Management Annual Education and Training	0.5
		Business Continuity Management Annual Education and Training	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.5
		2024 1st Information Security Education and Training	1.0
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Personal Information Protection Education and Training	1.0
		2024 2nd Social Engineering Education and Training	1.0
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5
		2024 2nd Information Security Education and Training	1.0
		[CommonWealth Economic Forum (Winter Session)] A Turbulent World Unfolds	2.5
		[Gartner IT Senior Executive Conference] AI and Generative AI - Development and Applications	2.0
		2024 Gartner Greater China Executive Exchange	12.0
		East Pacific Insurance Forum	1.5
		ITC Vegas 2024 (Oct. 15-17)	15.0
		WEF_Longevity Eco/ In-person workshops, Singapore	6.0
Chief Investment Officer	Sophia Cheng	2024 Board of Directors Information Security Consulting Team: Geopolitics Judgments and Taiwan-Strait Security Situation Analysis - Information Security Seminar/Information Security Department	1.3
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Board of Directors Information Security Consulting Team: Digital Trust and Sustainable Development/Information Security Department	0.9
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		[Sustainable Management] ESG Forward Looking Topics: Climate, Green Power, Nature and Finance - “ESG and Finance: Sustainable Finance”	3.0
		ELM and CIER Course for Directors and Supervisors of Corporate Sustainability and Net Zero Strategy	6.0
		Workshop: Developing a climate action transition plan for investors	0.3
		Sustainability and Micro-credit Classes - Sustainability and Responsible Investment Seminar	2.0
		AVPN Global Conference 2024	18.0
		Sustainable finance and net-zero transformation	2.0
		2024 Corporate Sustainability Best Practice Forum: Welcoming the low-carbon era x creating new carbon reduction approaches	3.0

		Seminar on Brace for Impact! The Impact of AI and Response Measures	3.0
		Measurement and management of influence IMM x impact investment	2.0
		2024 Sustainability Forum - Creating Sustainable Strength Together	3.0
		Taiwan Sustainable Investment Forum	1.3
		Cathay Sustainable Finance and Climate Change Summit	6.0
		2024 International Critical Thinking Education Forum	1.3
		2024 AWE Female Entrepreneur Accelerator Training Camp	2.3
		The focus of the “2024 Taiwan International Water Week - Water Leader Summit” - Changing the focus of the water challenge under climate change and technological capabilities	14.0
		World Biodiversity Summit	8.0
		Development of Women's Rights and Research and Training Mechanisms seminar: Gender awareness and female talent cultivation (II)	2.0
		2024 Taiwan Impact Investing Forum	1.2
		2024 TWCAE4th	6.8
		Asia Finance Event	0.8
		UNFCCC Side Events Green Finance for Climate Action	0.4
		Asia's Clean Energy Transition Initiative (ASCENT)	1.0
		Global Climate Leaders Roundtable	1.0
		Taiwan Asia Vegetable Initiative (TAsVI) Panelist	2.0
		Analysis of the Post-COP29 Climate Change and Corporate Sustainability Trend	4.0
		Decoding COP29: New Practices for Climate Financing	3.0
Senior Executive Vice President	Chung-Yi Teng	2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 1st Social Engineering Education and Training	0.7
		2024 Risk Management Annual Education and Training	0.6
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	1.0
		Business Continuity Management Annual Education and Training	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 1st Information Security Education and Training	1.2
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8

		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		Personal Information Protection Education and Training	0.5
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 2nd Social Engineering Education and Training	0.5
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		Information security advocacy - the impact and risks of false information/Information security	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 3rd Social Engineering Education and Training _ post-training	0.5
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.7
		2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		2024 2nd Information Security Education and Training	1.1
		[All Bank Supervisors] Bullying at the workplace/Department of Education and Development	0.5
		[2024 H1] Operation and management seminar	4.0
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
Chief Information Officer	Jian-Hsing Wu	2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		Information security advocacy - the impact and risks of false information/Information security	0.5
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		2024 H1, Basic Information Security Course / Information Security Dept.	1.0
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5



		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.5
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 Board of Directors Information Security Consulting Team: Digital Trust and Sustainable Development/Information Security Department	0.9
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	1.0
		2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		[All Bank Supervisors] Bullying at the workplace/Department of Education and Development	0.5
		[2024 H1] Operation and management seminar	4.0
		[2024 H2] Operation and management seminar	3.0
		Description of common external fraud cases in the financial industry	1.0
		Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0
		2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		2024 Financial Inclusion Education and Training	2.0
		2024 Financial Cloud Governance Practice and Outsourcing Compliance Forum	6.0
		2024 ITRI Financial Industry NPS White Paper Publication Forum - Digital Transformation and Financial Sustainability: Strategic Transformation from NPS to ESG	2.5
Senior Executive Vice President	Tsung-Hsien Tsai	2024 Board of Directors Information Security Consulting Team: Geopolitics Judgments and Taiwan-Strait Security Situation Analysis - Information Security Seminar/Information Security Department	1.1
		2024 Risk Management Annual Education and Training	0.7
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Board of Directors Information Security Consulting Team: Digital Trust and Sustainable Development/Information Security Department	0.9
		2024 2nd Information Security Education and Training	1.0

Senior Executive Vice President	Hsiang-Hsin Tsai	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		Information security advocacy - the impact and risks of false information/Information security	0.5
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		2024 H1, Basic Information Security Course / Information Security Dept.	1.0
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 2nd Social Engineering Education and Training _ post-training	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.7
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		[2024 H1] Operation and management seminar	4.0
		2024 CommonWealth Economic Forum - Winter Session	12.0
		Green Action Forum - Green Power Carbon neutrality and corporate sustainability campaign	4.0
		McKinsey case study on the application of GenAI trend and international industry standard in the same trade	3.0
		2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		Investment Summit for Cathay Financial Holdings	6.0
		2024 H2 Operation and management seminar	3.0
		Senior Managers Gathering	3.0

Chief Technology Officer (CTO)	Xu-Jie Yao	[2024 H1] Operation and management seminar	4.0
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		How to avoid labor disputes? Mandatory Course on The Management Knowledge That You Should Know (B) / Education and Development Department	1.1
		Information security advocacy - the impact and risks of false information/Information security	0.5
		2024 Risk Management Annual Education and Training	0.5
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.8
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	1.2
		2024 2nd Information Security Education and Training	1.0
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		Personal Information Protection Education and Training	0.7
		Business Continuity Management Annual Education and Training	0.5

Senior Executive Vice President	Shu-Ying Wu	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		IFRS 17 General Awareness Education Training (IFRS 17 Project Office) in H2, 2020	2.7
		2020 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.8
		Elective-2020 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	69.5
		Elective-2021 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.3
		Elective-2019 Online Course for Directors/Supervisors – IFRS 17 General Awareness Training (IFRS 17 Project Office)	3.6
		2022 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	3.0
		2024 Risk Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		How to create a win-win labor relation with trade unions	1.0
		Business Continuity Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 1st Information Security Education and Training	1.2
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		“2024 AIEP” 02. Case Studies of the International Industry	1.5
		2024 Financial Inclusion for People with Disabilities	1.0
		2024 Information Security	3.0
		2024 Risk Management	0.5
		2024 Employee Integrity and Ethical Conduct	0.5
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.7
		2024 2nd Information Security Education and Training	1.1
		Cathay Asset Management Summit_7/12	3.0
		2024 AI Senior Manager Class (Total Four Meetings)	12.0
		Strategic Consensus Camp_11/25	7.0
		Senior Managers Gathering_11/29	3.0
		2025 Economic and Insurance Development Forum - 12/10	8.0
		[Private Placement Credit and Insurance Industry Asset and Liability Management - International Trends and Local Challenges] seminar - 12/12	5.0
Chief Information Security Officer (CISO)	Ming-Huan Chen	2024 Information Security	3.0
		2024 Risk Management	0.5
		2024 Employee Integrity and Ethical Conduct	2.1
		2024 Online course on legal compliance (executive class)-Regulations Governing the Supervision of Insurance Solicitors	0.5
		2024 Financial Inclusion for People with Disabilities	1.0

		2024 Internal Compliance _ Senior Citizen Insurance Rights Protection Course / Education and Training Dept.	2.0
		2024 Internal Compliance _ Principles of Fair Treatment to Customers Course / Education and Training Dept.	3.0
		2023 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.7
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	1.0
Chief Auditor	Hung-Chang Yang	2024 1st Social Engineering Education and Training	0.6
		2024 Risk Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 1st Information Security Education and Training	1.2
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.6
		2024 2nd Information Security Education and Training	1.1
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Auditor Financial Services Workshop --- 719th session	4.0
		Auditor Financial Services Workshop --- 720th session	4.0
		Financial Holdings Company Internal Audit Seminar	3.0
Vice President and Chief Corporate Governance Officer	Deh-Yen Weng	New managers' audit internship training courses - Headquarters/Audit Office	6.9
		2024 Risk Management Annual Education and Training	0.6
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Risk Management	0.5
		2024 Financial Inclusion for People with Disabilities	1.0
		Personal Information Protection Education and Training	0.7
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5
		Workshop for auditing of general supervisors - capital utilization (phase 1, 2024)	30.0
		How to connect with international carbon trading and promote corporate innovation	3.0
		Corporate Sustainability and Net Zero Strategy in the Climate Change Era	3.0
		36th TCCS Board of Directors Meeting and CEO Seminar	2.0
		ESG Sustainability and Carbon Emission Challenges	3.0
		2024 2nd Phase Corporate Governance Best Practice Workshop - Fair Customer Treatment Principles for Financial Service Industries	3.0

		2024 Insurance Industry Corporate Governance Seminar	5.0
Chief Compliance Officer	Yu-Mei Lee	2024 Seminar on Regulations for Concurrent Operation in Proprietary Futures Trading	1.0
		Online course and test of Personal Data Protection Act	0.5
		2024 1st Social Engineering Education and Training	0.8
		2024 Risk Management Annual Education and Training	0.5
		2024 1st Information Security Education and Training	0.6
		2024 Seminar on Regulations for Concurrent Operation in Proprietary Futures Trading	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Response to the deepfake technology and securities industry	0.5
		2024 1st Social Engineering Education and Training _ post-training	0.5
		CRS.FATCA.QI and Review Description Education and Training	0.5
		Information security advocacy - the impact and risks of false information	0.5
		2024 Occupational Safety In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
		Business Continuity Management Annual Education and Training	0.5
		2024 1st Information Security Education and Training	1.0
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 2nd Information Security Education and Training	0.9
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		2024 Seminar on Regulations for Concurrent Operation in Proprietary Futures Trading	0.5
		Personal Information Protection Education and Training	0.5
		2024/08 Treat Customers Fairly_ Business continuity management awareness and regulations promotion education and training	0.7
		2024 2nd Social Engineering Education and Training	0.5
		Education and training system of Cathay Securities	0.5
		2024 Cathay Securities - Risk Management General Education and Training	0.5
		Net Zero Transition and Sustainable Finance	0.5
		Q4 2024 - 2024 Introduction to Fair Customer Treatment	0.5
		2024 Seminar on Regulations for Concurrent Operation in Proprietary Futures Trading	0.5
		2024 Internal Control System Education and Training	0.5
		2024 Q4 Fair Customer Treatment - Awareness of Physical and Mental Disabilities	0.5
		2024 2nd Information Security Education and Training	1.1
		2024 AML/CFT Education and Training_Directors and Supervisor	0.5
		Beyond compliance - Anti-money Laundering and Fraudulent Crime Prevention Practice	1.5
		2024 International Seminar of Anti-Money Laundering and Counter Terrorism Financing and Weapon Expansion in the Finance Industry	6.0
		Anti-Money Laundering and Counter Terrorism Financing Personnel On-Job Training Seminar (637th session)	12.0
		Insider Trading Prevention and Risk Analysis	3.0
		Trend of the development of technology risks of the cloud era	3.0

		[Beyond Compliance] Identification Technology and Personal Safety	1.5
		[Beyond Compliance] Analysis and Case Study of Emerging Crime Money Laundering Types	1.5
Chief Risk Officer and Chief Climate Officer	Ching-Lu Huang	[Social Engineering] 2024 Social Engineering Education and Training	1.1
		Business Continuity Management Annual Education and Training	0.5
		2024 Information Security	3.0
		2024 Risk Management	0.6
		2024 Employee Integrity and Ethical Conduct	4.1
		2024 Financial Inclusion for People with Disabilities	1.0
		Personal Information Protection Education and Training	0.5
		2024 H2 Email Social Engineering Education and Training	0.7
		2023 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.7
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
Executive Vice President	Ta-Ching Hung	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		How to create a win-win labor relation with trade unions	1.0
		Information Security Education and Training	3.0
		Financial Inclusion for People with Disabilities	1.0
		Senior Citizen Insurance Rights Protection Course	2.0
		Principle of Fair Treatment to Customers Course	3.0
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives	0.7
		Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	1.0
		CommonWealth CWF Economic Forum	8.0
		Low-carbon transformation route planning - carbon credits and carbon pricing	3.0
		Principle for Financial Service Industries to Treat Clients Fairly	3.0
		Information Security - Trend of Digital Finance	3.0
		2024 Cathay Sustainable Finance and Climate Change Summit	6.0
		Discussion of the remuneration strategy for employees of enterprises	3.0
Executive Vice President	Fu-Min Wang	2024 Online course on legal compliance (executive class)-Regulations Governing the Supervision of Insurance Solicitors	0.5
		2024 Financial Inclusion for People with Disabilities	1.1
		2024 Information Security	3.0
		2024 Risk Management	0.5
		2024 Employee Integrity and Ethical Conduct	0.5
		2024 Internal Compliance _ Senior Citizen Insurance Rights Protection Course / Education and Training Dept.	2.0
		2024 Internal Compliance _ Principles of Fair Treatment to Customers Course / Education and Training Dept.	3.0
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5

		2023 Online Course for Directors/Supervisors – IFRS 17 Education and Training (IFRS 17 Project Office)	2.7
Executive Vice President	Ming-Chiao Liang	2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.5
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.7
		2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		[All Bank Supervisors] Bullying at the workplace/Department of Education and Development	0.5
		[2024 H1] Operation and management seminar	4.0
Executive Vice President	Kuang-Hsueh Chen	2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	1.0
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		Information security advocacy - the impact and risks of false information/Information security	0.5



		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		2024 H1, Basic Information Security Course / Information Security Dept.	1.0
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.7
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		[2024 H1] Operation and management seminar	4.0
		2024 Commonwealth Economic Forum (Winter Session)	8.0
		[2024 H2] Operation and management seminar	4.0
		2024 Commonwealth Economic Forum (Summer Session)	8.0
		Workday Seminar	6.0
		2024 H2, Cathay Financial Group Senior Managers Gathering	2.3
		“Leading Digital Transformation in the Age of AI” - Advanced MBA Program, MIT	12.0
Executive Vice President	Hua-Ben Miao	[2024 H1] Operation and management seminar - Education Development Dept.	0.5
		Employee Confidentiality Education in 2024/Compliance Dept.	0.5
		2024 Cathay United Bank Overseas Units AML/CFT Training-H1/AMLC Dept.	0.6
		The First Course of Social Engineering in 2024/Information Security Dept.	0.6
		2024 Introduction to Whistle-blowing System/Compliance Dept.	0.5
		2024 Treating Customers Fairly (TCF)/Compliance Dept.	0.5
		2024 1st Social Engineering Education and Training _ post-training	0.5
		[2024 Promotion of knowledge to executives] Internal ratings-based (IRB) for credit risk / Credit and Operational Risk Management Department	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		The First Information Security Foundation Course in 2024/Information Security Dept.	0.9
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024 BCM acknowledge training/Risk Management Dept.	0.5
		2024 Personal Information Protection Act & Practice/Risk Management Dept.	0.5

		2024 2nd Social Engineering Education and Training _ post-training	0.5
		2024 Prevention of Sexual Harassment at Workplace/Human Resource Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		The Second Course of Social Engineering in 2024/Information Security Dept.	0.6
		2024 Introduction to Principles Governing Cross-Border Activities/Compliance Dept.	0.5
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Anti-Money Laundering and Counter - Terrorism Financing Education and Training for Directors and Senior Management / Anti-Money Laundering Compliance Dept.	0.5
		2024 Code of Conduct Training/Human Resource Dept.	0.5
		2024 3rd Social Engineering Education and Training _ post-training	0.5
		2024 Cathay United Bank Overseas Units AML/CFT Training-H2/AMLC Dept.	0.6
		2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
		The Second Information Security and IoT Security Foundation Course in 2024/Information Security Dept.	1.0
		2024 Self-Inspection Operations/Audit Dept.	0.5
		2024 4th Social Engineering Education and Training _ post-training	0.5
Executive Vice President	Cheng-Lung Chu	Statutory Course - 2024 Age-Friendly Elderly Services / Business Planning Dept.	2.0
		2024 1st Social Engineering Education and Training	0.9
		2024 1st Social Engineering Education and Training _ post-training	0.5
		2024 Risk Management General Education and Training	0.5
		2024 Personal Information Protection Education and Training	0.5
		2024 Fair Customer Treatment and Financial Friendly Services and Anti-Corruption Seminar	6.0
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.5
		2024 1st Information Security Education and Training	1.0
		2024 Climate and Natural Risk Management Education and Training	0.5
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		Net Zero Transition and Sustainable Finance	0.5
		2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training	2.6
		Legal courses - 2024 property insurance registration representative (advanced mandatory courses) - property insurance	3.5
		2024 2nd Information Security Education and Training	1.0
		2024 2nd Information Security and Social Engineering Education and Training	1.5
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		2024 International Seminar of Anti-Money Laundering and Counter Terrorism Financing and Weapon Expansion in the Finance Industry	6.0
		2024 3rd In-Service Training for Compliance Personnel	20.0
		2024 3rd Anti-Money Laundering and Counter Terrorism Financing On-the-Job Training	12.0
		2024 Symposium on Enhancing Insurance Compliance	5.0
Executive Vice President	Cheng-Lung Chu	New managers' audit internship training courses - Headquarters/Audit Office	1.1

		2024 1st Social Engineering Education and Training	0.6
		2024 Risk Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 1st Information Security Education and Training	1.1
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.7
		2024 Financial Inclusion for People with Disabilities	1.0
		2024 Information Security	3.0
		2024 Risk Management	1.8
		2024 Employee Integrity and Ethical Conduct	4.1
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5
		2024 2nd Information Security Education and Training	1.3
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
Executive Vice President	Shao-Ling Weng	2024 1st Social Engineering Education and Training	0.5
		2024 Risk Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 1st Information Security Education and Training	1.6
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Diversity and Equal Inclusion - DEI Management Practice Forum	8.0
		Employees experience the employer brand's practice of DEI	3.0
		CommonWealth Conference - The Labor-Management Risk Sharing for Human Resources Directors	1.5
		CommonWealth Economic Forum	7.5
		The three strategies for the new era of globalization in 2024 at the WTW CHRO forum	3.0
		Harvard Business School “Management Conference”	3.0
		Revitalize the revolution of skills	8.0
		2024 Talent Sustainability International Forum	8.0
		Strategic human resource planning	8.0

		2024 Human Resource Conference: Unlimited possibilities of creating a people-centric technology	8.0
Executive Vice President	Chia-Ying Lin	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		How to create a win-win labor relation with trade unions	1.0
		2024 Information Security	3.0
		2024 Risk Management	0.5
		2024 Employee Integrity and Ethical Conduct	1.4
		2024 Financial Inclusion for People with Disabilities	1.1
		Statutory Course - 2024 Age-Friendly Elderly Services / Business Planning Dept.	2.0
		2024 Internal Compliance _ Exchange Rate Risk and Foreign Exchange Related Regulations Course / Education and Training Dept.	1.0
		2024 Internal Compliance _ Business Quality and Fund Related Courses / Education and Training Dept.	3.0
		2024 Internal Compliance _ Senior Citizen Insurance Rights Protection Course / Education and Training Dept.	2.0
		2024 Internal Compliance _ Principles of Fair Treatment to Customers Course / Education and Training Dept.	3.0
		Statutory Course - 2024 Principle of Fair Treatment to Customers/Business Planning Dept.	6.5
		2024 anti-money laundering and counter terrorism-financing, fair treatment and information security education and training for directors, supervisors and executives / Compliance Dept.	0.5
		Legal courses - 2024 property insurance registration representative (advanced mandatory courses)	43.3
Executive Vice President	Chun-Ian Shih	2024 1st Social Engineering Education and Training	0.6
		2024 Risk Management Annual Education and Training	0.7
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.7
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 1st Information Security Education and Training	1.1
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.7
		Personal Information Protection Education and Training	0.7
		2024 2nd Social Engineering Education and Training	0.5
		Net Zero Transition and Sustainable Finance	0.7
		2024 2nd Information Security Education and Training	1.0
Executive Vice President	Hao-Hsiang Liu	2024/01 Personal Information Protection Act Case Study and Penalty/Legal Compliance Department	0.5
		Unit managers' workplace unlawful violation inspection checklist/General Affairs and Occupational Safety Department	0.5
		2024/02 Banking Self-discipline Regulations for Fair Treatment of Older Customers/Compliance Dept.	0.5
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.7
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7

P e s p w G	2024 Whistleblowing System / Compliance Dept.	0.5
	2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
	Information security advocacy - the impact and risks of false information/Information security	0.5
	2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
	2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
	2024 H1, Basic Information Security Course / Information Security Dept.	1.0
	2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
	2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
	2024/07 Re-Declaration of Employees' Confidentiality Principles / Legal Compliance Dept.	0.5
	2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
	2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
	2024/02 Financial Institution Outsourcing Related Laws and Regulations Introduction Part I/Legal Compliance Department	0.5
	2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
	2024/08 The introduction of laws and regulations related to the outsourcing of financial institutions Part 2/Legal Compliance Dept.	0.5
	Labor-Management Cooperation - Harmonious Employment Relations /Education and Development Department	1.5
	2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
	2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
	Net Zero Transition and Sustainable Finance	0.7
	2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
	2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	1.0
	2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
	2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
	2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
	2024 Self-Audit Operations / Audit Dept.	0.5
	2024 Sustainability Course - Responsibility and Contribution Principles/ Education and Development Department	3.0
	ISO 27001 system advocacy and information security audit skills courses/information security dept.	0.9
	2024/12 Recent Penalties by the Banks and Points to Note (2024/09-2024/11) / Compliance Dept.	0.5
	[All Bank Supervisors] Bullying at the workplace/Department of Education and Development	0.5
	[2024 H1] Operation and management seminar	4.0
	Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
P e s p w G	Net Zero Transition and Sustainable Finance	0.5

		Anti-money Laundering and Fraudulent Crime Prevention Practice	1.5
		[Financial technology policy and industry dynamics under the AI wave]	1.5
		[Guidelines for Financial Employees - Avoiding the Sea of Fraud]	1.0
		2024 Seminar: Sustainability Risk Management - Emerging Risk Governance Trends	6.0
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Social Engineering Education and Training _ post-training	0.5
		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	0.9
		2024 Financial Examination and Audit Series Workshop - International Financial Supervisory Theory Forum	6.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.5
		Auditor Financial Services Workshop --- 719th session	4.0
		Auditor Financial Services Workshop --- 720th session	4.0
		Auditor Workshop ---- 690th session	3.0
		Auditor Workshop ---- 691st session	4.0
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chin-Tang Lu	Education and training for the fire protection team of the headquarters of Cathay Financial Holdings	0.5
		Net Zero Transition and Sustainable Finance	0.7
		2024 Internal Control System Education and Training	0.5
		2024 Risk Management Annual Education and Training	0.7
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Cathay Securities - Risk Management General Education and Training	3.6
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Information Security Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	0.6
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.7
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7

		Cathay Securities 2024 “All Employees Anti-Money Laundering and Counter Terrorism Financing” Online Education and Training	1.4
		Education and training system of Cathay Securities	0.5
		Information security advocacy - the impact and risks of false information	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Ya-Jou Chang	Net Zero Transition and Sustainable Finance	0.5
		Institutional Investor Perspectives Forum	2.5
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Social Engineering Education and Training _ post-training	0.5
		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	2.0
		2024 4th Social Engineering Education and Training _ post-training	0.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chun-Chieh Chen	Net Zero Transition and Sustainable Finance	0.7
		2024 Risk Management Annual Education and Training	0.6
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chi-Ya Hua	Net Zero Transition and Sustainable Finance	0.5
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5

		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Education and Training IFRS 17 PART 1/Risk Management Department II	2.1
		Personal Information Protection Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Jui-Hung Hung	[Directors and Supervisors Information Security] Analysis of geopolitical judgments and Taiwan Strait security situation - information security seminar	0.5
		[Directors and Supervisors Information Security] Cloud Practice of Information Security - Information Security Seminar	0.5
		Net Zero Transition and Sustainable Finance	0.6
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.7
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.6
		2024 2nd Information Security Education and Training	1.1
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Principle for Financial Service Industries to Treat Clients Fairly - Convention on the Rights of Persons with Disabilities (CRPD)	0.6
		Personal Information Protection Education and Training	0.6
		Professional Class for Professional Development of Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12.0
		CTF Training for Directors and Supervisors	0.8
		Education and Training of Information Security for Directors and Supervisors	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chin-Chi Chen	Net Zero Transition and Sustainable Finance	0.7
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.6
		2024 2nd Information Security Education and Training	1.0



		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chun-Ming Chang	Net Zero Transition and Sustainable Finance	0.6
		2024 Risk Management Annual Education and Training	0.7
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.8
		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	0.9
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.6
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Li-Hsun Chen	[2024 H1] Operation and management seminar	4.0
		2024/02 Financial Institution Outsourcing Related Laws and Regulations Introduction Part I/Legal Compliance Department	0.5
		2024/05 Banking Responsible Map System and Self-discipline Regulations/Compliance Dept.	0.5
		2024/08 The introduction of laws and regulations related to the outsourcing of financial institutions Part 2/Legal Compliance Dept.	0.5
		2024/10 Implementation guidelines for the amendments to the responsible map system/Legal Compliance Dept.	0.5
		2024 ISMS information security awareness and information asset and risk assessment practices/information security department	1.1
		IRB Knowledge Promotion/Credit and Operational Risk Management Department	0.6
		Net Zero Transition and Sustainable Finance	0.5
		Labor-Management Cooperation - Harmonious Employment Relations /Education and Development Department	1.6
		Unit managers' workplace unlawful violation inspection checklist/General Affairs and Occupational Safety Department	0.5
		Information security advocacy - the impact and risks of false information/Information security	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Basic Information Security Course / Information Security Dept.	1.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H2, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	1.0

		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		2024 Self-Audit Operations / Audit Dept.	0.5
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Financial Inclusion Education and Training / Compliance Dept.	2.0
		2024 Risk Management General Knowledge Course / Credit and Operational Risk Management Dept.	0.5
		2024 Personal Data Protection Act and Practice Course / Credit and Operational Risk Management Dept.	0.5
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 Employee Integrity and Ethical Conduct Education and Training / Human Resources Dept.	0.5
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Whistleblowing System / Compliance Dept.	0.5
		2024 Education and Training for Business Continuity Management (BCM) Awareness / Credit and Operational Risk Management Dept.	0.5
		2024 On-the-job Occupational Safety and Health Education and Training for Occupational Safety and Health Committee Members and Unit Supervisors/General Affairs and Occupational Safety Department	1.0
		Operational Risk and Information Security	0.6
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
Senior Vice President	Yu-Hsiu Ling	2024 Risk Management Annual Education and Training	0.7
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	1.0
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		The mandatory legal rules and risk responsibilities of directors, supervisors and insiders under corporate governance	3.0
		Corporate Governance and Independent Director Operation Practice	3.0
		Planning of equity investment for corporate merger and acquisition and analysis of joint venture agreement	3.0
		Personal Information Protection Education and Training	0.7
		Analysis of the relevant regulations and practices of the Board of Directors	3.0
		Business Continuity Management Annual Education and Training	0.5
		Labor-Management Disputes, Resolution Mechanisms, and Case Sharing in the Workplace	3.0
Senior Vice President	Hui-Ting Li	[2024 H1] Operation and management seminar	4.0
		2024/01 Customer Complaint Case Sharing (Q4, 2023) / Legal Compliance Department	0.5
		2024/01 Personal Information Protection Act Case Study and Penalty/Legal Compliance Department	0.5
		2024/02 Financial Institution Outsourcing Related Laws and Regulations Introduction Part I/Legal Compliance Department	0.5

		2024/02 Employee Code of Conduct - Gift and Prohibition of Accepting Improper Benefits/Legal Compliance Department	0.5
		2024/02 Banking Self-discipline Regulations for Fair Treatment of Older Customers/Compliance Dept.	0.5
		RM referral and promotional campaigns for channel operations	0.5
		Workshop - Bond - Bond with Vision of Sustainability - Subordinated Bond with Maturity Date, CoCo Bond/Financial Marketing Department	0.5
		Net Zero Transition and Sustainable Finance	0.5
		Unit managers' workplace unlawful violation inspection checklist/General Affairs and Occupational Safety Department	0.5
		2024 Risk Management Annual Education and Training	0.7
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.7
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 1st Social Engineering Education and Training	0.6
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.1
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Statutory Course - 2024 Age-Friendly Elderly Services / Business Planning Dept.	2.0
		Personal Information Protection Education and Training	0.5
		Education and training for new recruits - awareness of personal data protection	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Hua-Chih Kao	Net Zero Transition and Sustainable Finance	0.7
		2024 Risk Management Annual Education and Training	0.5
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	1.0
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Information Security Education and Training	1.4
		2024 2nd Social Engineering Education and Training	0.6
		2024 2nd Information Security Education and Training	1.1
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chia-Chieh Chen	[2024 H1] Operation and management seminar	4.0

		Net Zero Transition and Sustainable Finance	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.5
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Employees’ Confidentiality Principles / Compliance Dept.	0.5
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.6
		2024 2nd Information Security Education and Training	1.1
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7
		Education and training for new recruits - awareness of personal data protection	1.2
		Bullying at the workplace/Department of Education and Development	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chun-Chieh Yang	[2024 H1] Operation and management seminar - Education Development Dept.	0.5
		[2024 H2] Operation and management seminar - Education Development Dept.	0.5
		How to avoid labor disputes? Mandatory Course on The Management Knowledge That You Should Know (B) / Education and Development Department	1.0
		Net Zero Transition and Sustainable Finance	0.5
		Labor-Management Cooperation - Harmonious Employment Relations /Education and Development Department	2.5
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Sexual Harassment Prevention Course / Human Resources Dept.	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Employees’ Confidentiality Principles / Compliance Dept.	0.5
		2024 1st Social Engineering Education and Training	0.8

		2024 1st Information Security Education and Training	1.1
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Whistleblowing System / Compliance Dept.	0.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.7
		Personal Information Protection Education and Training	0.5
		Bullying at the workplace/Department of Education and Development	0.5
		Business Continuity Management Annual Education and Training	0.7
Senior Vice President	Sheng-Hao Yen	[2024 H1] Operation and management seminar	4.0
		How to avoid labor disputes? Mandatory Course on The Management Knowledge That You Should Know (B) / Education and Development Department	1.0
		Net Zero Transition and Sustainable Finance	0.5
		Labor-Management Cooperation - Harmonious Employment Relations /Education and Development Department	2.5
		2024 Risk Management Annual Education and Training	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.9
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H1, Basic Information Security Course / Information Security Dept.	0.9
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.6
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Sustainability Course - Responsibility and Contribution Principles/ Education and Development Department	3.0
		2024 Employees’ Confidentiality Principles / Compliance Dept.	0.5
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Information Security Education and Training	1.4
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	5.5
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Whistleblowing System / Compliance Dept.	0.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Operational Risk and Information Security	1.0
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.5
Senior Vice President	Chia-Hsin Ni	Net Zero Transition and Sustainable Finance	0.5
		Labor-Management Cooperation - Harmonious Employment Relations /Education and Development Department	1.5
		Information security advocacy - the impact and risks of false information/Information security	0.5
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0

		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.5
		2024 H1, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H1, Bank-wide Anti-Money Laundering Education and Training / Anti-Money Laundering Compliance Dept.	0.5
		2024 H1, Basic Information Security Course / Information Security Dept.	1.0
		2024 H2, Social Engineering Prevention Course / Information Security Dept.	0.7
		2024 H2, Information Security and IoT Basic Course / Information Security Dept.	1.0
		2024 Principle of Fair Treatment to Customers / Compliance Dept.	3.0
		2024 Employees' Confidentiality Principles / Compliance Dept.	0.5
		2024 1st Information Security Education and Training	0.8
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	0.8
		2024 Key Points for Cross-Border Activity Management / Compliance Dept.	0.5
		2024 Whistleblowing System / Compliance Dept.	0.5
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Operational Risk and Information Security	0.5
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.5
		Education and training for new recruits - awareness of personal data protection	0.5
		Business Continuity Management Annual Education and Training	0.6
Senior Vice President	Hwa-Hsin Yang	Strengthening information security - professional ethics and information security risks and data protection	0.5
		Net Zero Transition and Sustainable Finance	0.5
		[2024 AIEP] 05 - Establishing a management framework to control risks	2.6
		2024 General Labor In-Service Education and Training	1.0
		2024 Corporate Sustainability	0.5
		2024 Financial Inclusion for People with Disabilities	1.1
		2024 Anti-Money Laundering and Counter Terrorism Financing	0.5
		2024 Gender Equality	1.0
		2024 Financial Consumer Protection Act and Principle of Fair Treatment to Customers	3.0
		2024 Regulations Governing the Supervision of Insurance Solicitors	0.5
		2024 Risk Management	0.6
		2024 Personal Data Protection	0.5
		2024 Employee Integrity and Ethical Conduct	4.1
		2024 Information Security	3.0
		2024 Whistleblowing System	0.5
		Basic concepts of IFRS 17 and its impact on systems, processes, and data (IFRS 17 Project Office)	3.4
		Older Adult Care Support/Organization Certification Course/ Integrated Planning Department	1.1
Senior Vice President	Ching-Han Huang	Net Zero Transition and Sustainable Finance	0.7
		2024 "Employee Integrity and Ethical Conduct Education and Training"	1.0
		2024 2nd Information Security Education and Training	1.0
		Education and training for new recruits - awareness of personal data protection	0.5

Senior Vice President	Hsiang-Ni Wu	2024 1st Social Engineering Education and Training	0.6
		2024 Risk Management Annual Education and Training	0.5
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 Risk Management General Education and Training	0.5
		2024 Personal Information Protection Education and Training	0.5
		Business Continuity Management Annual Education and Training	0.7
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Fair Customer Treatment and Financial Friendly Services and Anti-Corruption Seminar	8.4
		2024 1st Information Security Education and Training	1.8
		2024 “Employee Integrity and Ethical Conduct Education and Training”	0.5
		2024 Climate and Natural Risk Management Education and Training	0.5
		Personal Information Protection Education and Training	0.5
		2024 2nd Social Engineering Education and Training	0.5
		2024 Sexual Harassment Prevention and Gender Equality Training Course	0.5
		Net Zero Transition and Sustainable Finance	0.7
		2024 Compliance Online Examination - Headquarters	0.6
		2024 Anti-Money Laundering and Counter-Terrorism Financing Education and Training	0.7
		2024 2nd Information Security Education and Training	1.0
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Property insurance - general supervisors audit class - accounting practice	40.0
		First stage of anti-money laundering and counter terrorism - personnel pre-employment course	13.0
		2024 Cathay Lecture on Principles of Fair Treatment of Customers	3.0
		2025 Economic and Insurance Development Forum	7.0
Senior Vice President	Kai-Wei Tsai	Net Zero Transition and Sustainable Finance	0.5
		2024 Risk Management Annual Education and Training	0.7
		2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
		2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.9
		2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
		2024 1st Social Engineering Education and Training	0.5
		2024 1st Information Security Education and Training	1.2
		2024 2nd Social Engineering Education and Training	0.5
		2024 2nd Information Security Education and Training	1.0
		Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
		Analysis of the amendments to the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act, and the countermeasures	3.0
		Personal Information Protection Education and Training	0.7
		Business Continuity Management Annual Education and Training	0.7
Senior Vice President	Li-Ya Tsai	Net Zero Transition and Sustainable Finance	0.5
		2024 Internal Compliance _ Regulatory Letter Course / Education and Training Dept.	12.8

	2024 Internal Compliance _ Senior Citizen Insurance Rights Protection Course / Education and Training Dept.	2.0
	2024 Internal Compliance _ Principles of Fair Treatment to Customers Course / Education and Training Dept.	3.0
	2024 Risk Management Annual Education and Training	0.5
	2024 “Employee Integrity and Ethical Conduct Education and Training”	1.0
	2024 Q2 Mandatory Course - General Labor Safety and Health Annual In-Service Education and Training	0.8
	2024 Q2 Mandatory Course - Basic Intellectual Property Education and Training	0.5
	2024 1st Social Engineering Education and Training	0.6
	2024 1st Information Security Education and Training	1.3
	2024 2nd Social Engineering Education and Training	0.5
	2024 2nd Information Security Education and Training	1.7
	Q3 Compulsory Course - Customs Education and Training Part 1 - What Financial Employees Must Know	0.8
	Personal Information Protection Education and Training	0.7
	Business Continuity Management Annual Education and Training	0.5

**(X) Implementation of internal control system**

1. Declaration of Internal Control System: Please refer to the Market Observation Post System:  
Market Observation Post System > Single Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcement  
(<https://mops.twse.com.tw/mops/#!/web/t06sg20>)
2. If the internal control policy was reviewed by an external auditor, the result of such review must be disclosed: none.

**(XI) Shareholder meeting(s) and significant board resolutions during the most recent year and up to the date of publication of this annual report**

1. Major resolutions of the 2024 annual general meeting and the execution progress

Major resolutions of the 2024 annual general meeting	Implementation Status
(1) Acknowledgement of Business Operations Report and Financial Statements for 2023	Announced to the public after shareholder meeting resolution.
(2) Acknowledgement of earnings distribution for 2023.	<p>July 7, 2024 was set as the baseline date for distribution, whereas July 29, 2024 was determined as the distribution date.</p> <p>(1)NT\$2.0 per share for common shares.  (2)NT\$2.29617534 per share for Class-A preferred shares.  (3)NT\$2.13 per share for Class-B preferred shares.</p>



(3) Discussion on the amendment to the Articles of Incorporation.	The company has obtained the approval for registration from the Ministry of Economic Affairs and has posted the revised Articles of Association on the company's website.
(4) Discussion on the Corporation's proposal to raise long-term capital.	After determination and assessment, currently, there is no need to execute such plan.

2. Major board of directors resolutions made in 2024 and in 2025 up till the publication date of this annual report:

(1) 15<sup>th</sup> meeting of the 8<sup>th</sup> board dated January 30, 2024

- Approved extension of unsecured credit from the Company to Hua Nan Bank and Taiwan Cooperative Bills.
- Approved the Chief Auditor's performance evaluation.
- Approved distribution of bonus to the Company's managers.
- Approved amendments to the Company's "Director Performance Evaluation Guidelines".
- Approved the company's organizational adjustments and amendments to the "Organizational Regulations".
- Approved personnel matters of the Company.
- Approved the Company's 2023 "board of directors and functional committee" internal performance evaluation.

(2) 16<sup>th</sup> meeting of the 8<sup>th</sup> board dated March 5, 2024

- Approved the 2023 employee and director remuneration.
- Approved review of the 2023 year-end financial statements.
- Approved appointment of financial statement auditors and review of audit remuneration for 2024.
- Approved the 2024 financial and business target.
- Approved the extension of unsecured credit to Bank SinoPac and Dah Chung Bills.
- Approved the proposal for the subsidiary, "Cathay Life Insurance," to establish a specialpurpose foreign financing vehicle in Singapore.
- Approved the Company's 2023 "Declaration of Internal Control System."
- Approved to set the reasons, date, location, method of convening the 2024 shareholders' meeting and the date for accepting proposals and other related matters.
- Approved the amendments to the Company's "Articles of Incorporation," "Rules of Procedure for Board of Directors Meetings," "Organization Charter," "Risk Management Policy," and various risk management guidelines and "Principles for Granting of Credit or Transactions between the Company and its Subsidiaries and Stakeholders".
- Approved personnel matters of the Company.
- Approved the proposal to appoint Cathay Securities to handle stock affairs.

(3) 17<sup>th</sup> meeting of the 8<sup>th</sup> board dated April 30, 2024

- Approved 2023 Business Report.
- Approved Audit Committee's Review Report on the Company's 2023 Financial Statements.
- Approved the "2023 Audit Committee Annual Operation Status Report" submitted at the shareholders' meeting.
- Approved the company's 2023 and 2024 unsecured ordinary corporate bond issuance reports.

- Approved 2023 Earnings Distribution.
  - Approved the Company's long-term funding plan.
  - Approved and confirmed the convening of the 2024 Annual Shareholders' Meeting.
  - Approved extension of unsecured credit from the Company to Yuanta Commercial Bank and TCB Bank.
  - Approved the establishment of the company's "Board of Directors Establishment Guidelines" and revised the "Corporate Governance Best Practice Principles", "Organization Rules for Audit Committee", "Organization Rules for Corporate Governance and Nominating Committee", "Integrity Management Policy and Code", "Integrity Management Operating Procedures and Behavior Guidelines" and "Human Rights Policy".
  - Approved personnel matters of the Company.
  - Approved the company's "Financial Holding Data Cloud Project".
- (4) 18<sup>th</sup> meeting of the 8<sup>th</sup> board dated May 15, 2024
- Determine the company's corporate sustainability (CS) implementation work report.
  - Approved the 2024 Q1 financial statements.
  - Approved to extend the unsecured credit contracts with E.Sun Bank, Taishin Bank, China Bills, International Bills, and Grand Bills.
  - Approved the establishment of the company's "Personal Data Management Policy" and "Inclusive Finance Policy", and revised the company's "Responsible Investment and Lending Policy", "Non-Investment and Lending Policy", "Negotiation Policy", "Occupational Safety and Health Policy", "Sustainable Procurement Policy" and "Manager Remuneration Payment Guidelines".
  - Approved the company's "internal control system" and management optimization measures.
  - Approved the adjustment to the Company's managerial officers' compensation and the regular review of the remuneration.
  - Approved personnel matters of the Company.
  - Approved amendments to "Foreign Insurance Business Investment Procedures" of the subsidiary "Cathay Life Insurance."
- (5) 19<sup>th</sup> meeting of the 8<sup>th</sup> board dated July 16, 2024
- Determine the 2023 annual greenhouse gas inventory and inspection report.
  - Approved to extend the unsecured credit contracts with First Commercial Bank and CTBC Bank.
  - Approved the amendment to the "Procedures for the Company and its subsidiaries to apply for suspension and resumption of trading".
  - Approved 2023 Business Report.
  - Approved personnel matters of the Company.
  - Approved the adjustment to the Company's managerial officers' compensation.
- (6) 20<sup>th</sup> meeting of the 8<sup>th</sup> board dated August 15, 2024
- Approved the financial statements for the first half of 2024.
  - Approved to extend the unsecured credit contracts with Union Bank and Mega Bills.
  - Approved the proposal on the Company's issuance of Unsecured corporate bonds.
  - Approved personnel matters of the Company.
  - Approved the establishment of the "Policy on the Governance of the Use of Artificial Intelligence (AI) by the Company and its Subsidiaries" and revised the "Human Rights Policy" of the Company.
- (7) 21<sup>st</sup> meeting of the 8<sup>th</sup> board dated November 8, 2024
- Determine the progress report of the company's key corporate sustainability (CS)

- projects.
- Determine the company's 2024 intellectual property management plan and implementation status report.
  - Approved the Company's 2024 Q1–Q3 financial statements.
  - Approved to extend the unsecured credit contracts with HSBC Bank, Taipei Fubon Bank and Ta Ching Bills.
  - Approved of “2025 Audit Plan” proposed by the Company's Auditing Division.
  - Approved the important proposal of “Cathay Life Insurance Vietnam” (2025 annual business plan).
  - Approved to establish the “Corporate Sustainability Committee,” the “Organization Rules” of the Committee, and to appoint the members of the Committee.
  - Approved the revision of the company's "Corporate Sustainability Code", "Organization Rules for Corporate Sustainability Committee", "Board of Directors and Functional Committee Performance Evaluation Method" and "Internal Control System".
  - Approved to increase the “Group credit and investment limit” of the Company for “Far East Horizon Group”.
  - Approved amendments to “Foreign Insurance Business Investment Procedures” of the subsidiary “Cathay Life Insurance.”
  - Approved personnel matters of the Company.
- (8) 22<sup>th</sup> meeting of the 8<sup>th</sup> board dated December 3, 2024
- Approved personnel matters of Cathay Life Insurance Vietnam, a foreign insurance-related business of the subsidiary “Cathay Life Insurance.”
  - Approved personnel matters of the Company.
  - Approved the adjustment to the Company's managerial officers' compensation.
- (9) 23<sup>rd</sup> meeting of the 8<sup>th</sup> board dated January 21, 2025
- Approved extension of unsecured credit from the Company to Bank of Taiwan, Hua Nan Bank, KGI Bank, Taiwan Cooperative Bills and Dah Chung Bills.
  - Approved the revision of the company's "Regulations Management Guidelines" and "Manager Performance Management Development Guidelines".
  - Approved the company's organizational adjustments and amendments to the "Organizational Regulations"
  - Approved personnel matters of the Company.
  - Approved the Chief Auditor's performance evaluation.
  - Approved distribution of bonus to the Company's managers.
  - Approved the Company's 2024 “board of directors and functional committee” internal performance evaluation.
- (10) 24<sup>th</sup> meeting of the 8<sup>th</sup> board dated March 6, 2025
- Approved the 2024 employee and director remuneration.
  - Approved review of the 2024 year-end financial statements.
  - Approved appointment of financial statement auditors and review of audit remuneration for 2025.
  - Approved the 2025 financial and business target.
  - Approved extension of unsecured credit from the Company to SinoPac Bank, Yuanta Bank and International Bills.
  - Approved the Company's 2024 “Declaration of Internal Control System.”
  - Approved the election of the 9th board of directors of the Company.
  - Approved to set the reasons, date, location, method for convening the 2025 Annual General Meeting of Shareholders and the date for accepting nominations for directors

(including independent directors).

- Approved the revision of the Company's "ESG and Climate Risk Management Guidelines", "Emerging Risk Management Guidelines" and "Risk Measurement Indicator List".

**(XII) The main contents of important resolutions passed by the Board of Directors regarding in which directors or Supervisors have voiced differing opinions on the record or in writing, during the most recent year and up to the date of publication of this annual report:**

None.

#### **IV. Professional Fees to CPAs (Table 3)**

Unit: NT\$ thousand

Accounting firm name	Names of Auditors	Audit period	Audit Fee	Non-audit Fee	Total	Remarks
Deloitte & Touche	Shu-Wan Lin	2024/1/1~ 2024/12/31	7,532	6,668	14,200	Non-audit service fees: tax attestation, master file reports of the Group and country-specific reports, personal data protection system and investment tax credit consultation.
	Shiuh-Ran Cheng					

Note: If the CPAs or public accounting firms for the Company were replaced during the year, the duration of their audit engagement should be separately disclosed, and the reason for replacement should be explained in the remark section, and information such as audit and non-audit fees paid should be disclosed in said sequence. Non-audit fees should be accompanied by a remark describing the services provided.

## V. Information of Independent Auditor replacement (Table 3-1)

### I. Information relating to the former CPA

Date of reappointment	Passed during the board of directors meeting dated March 9, 2023		
Reason for reappointment	Organizational adjustment within Deloitte Taiwan		
Was the termination of audit services initiated by the principal or by the CPA	Parties involved Situation	Certified Public Accountant	Principal
	Service terminated by	-	-
	Service no longer accepted (continued) by	-	-
Reasons for issuing opinions other than unqualified opinions in the recent two years	None		
Disagreements with the company	Yes	-	Accounting principles or practices
		-	Disclosure of financial report
		-	Scope or steps of audit
		-	Others
	None	✓	
	Notes	None	
Other disclosures (Matters that shall be disclosed in Article 10, Subparagraph 6, Item 1, Point 4, of Regulations Governing the Preparation of Financial Reports by Financial Holding Companies)	None		

### II. Information relating to the succeeding CPA

CPA Office	Deloitte & Touche
Names of Auditors	Shu-Wan Lin, Shiuh-Ran Cheng
Date of reappointment	Passed during the board of directors meeting dated March 9, 2023
Inquiries and replies relating to the accounting practices or accounting principles of certain transactions, or any audit opinions the auditors were likely to issue on the financial reports prior to reappointment	None
Written disagreements from the succeeding auditor against the opinions made by the former CPA	None

### III. The reply letters on Item 1, and Item 2-3, Subparagraph 6, Article 10 of Regulations Governing the Preparation of Financial Reports by Financial Holding Companies from the previous CPA:

None.

## VI. The facts about the Company chairman, president, managerial officer in charge of financial or accounting affairs having served with the CPA Office or the affiliation thereof over the past year

None of the Company chairman, president, and managerial officer in charge of financial or accounting affairs has served with the CPA Office or the affiliation thereof over the past year.

## **VII. Facts about the director or supervisor, managerial office, or a same person or a same affiliated enterprise having held the equity of a same financial holding corporation with voting power exceeding the specified ratio which should be declared under Article 11 of the Managerial Regulations: The facts of equity transfer and change in equity pledge (Table 4)**

In accordance with Article 22-1 of the "Guidelines on Matters to be Recorded in the Annual Reports of Financial Holding Companies", the relevant information is recorded in the index of the "Market Observation Post System":

- Query of the declaration form of shareholding changes of major shareholders (including the same person or the same related person):  
Market Observation Post System > Summary Reports > Equity Changes/Securities Issuance > Shareholdings/Pledges/Transfers of Directors and Supervisors > Reporting Form on Changes in Shareholdings of Major Shareholders of Banks (Financial Holding Companies)  
(<https://mops.twse.com.tw/mops/#/web/t142sb01>)
- Query of declaration form of pledge by major shareholder (including the same person or related person):  
Market Observation Post System > Summary Reports > Equity Changes/Securities Issuance > Shareholdings/Pledges/Transfers by Directors and Supervisors > Declaration Form on Pledges by Major Shareholders of Banks (Financial Holding Companies)  
(<https://mops.twse.com.tw/mops/#/web/t142sb02>)
- Post-event reporting form for insider shareholding changes:  
Market Observation Post System > Single Company > Equity Change/Securities Issuance > Equity Transfer Information Query > Post-Money Report Form for Insider Shareholding Change  
([https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1))
- Announcement on the resolution of internal personnel disputes (for individual companies):  
Market Observation Post System > Single Company > Equity Change/Securities Issuance > Dissolution of Internal Personnel Pledge > Announcement of Dissolution of Internal Personnel Pledge  
([https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1))

## VIII. Information of Related Parties of the top ten shareholders (Table 4-1)

Name (Note 1)	Shares held by themselves		Shares held by spouses, underage children		Shareholding using other's name		Names and the relationship among the top ten shareholders in the relationship of related parties or spouses, blood relatives within the second degree of kinship. (Note 3)		Remarks
	Number of shares	Ratio of shareholding (Note 2)	Number of shares	Ratio of shareholding (Note 2)	Number of shares	Ratio of shareholding (Note 2)	Name	Relationship	
Wan Pao Development Co., Ltd. Representative: Weng-Chuan Lin	2,540,990,110	15.68%	0	0%	0	0%	Lin Yuan Investment Co., Ltd.	With the same person as the representative	-
							Baising Investment Co., Ltd.	With the Company's supervisor as the representative	
							Wan Ta Investment Co., Ltd.	With the same person as the representative	
Lin Yuan Investment Co., Ltd. Representative: Weng-Chuan Lin	2,249,443,425	13.88%	0	0%	0	0%	Wan Pao Development Co., Ltd.	With the same person as the representative	-
							Baising Investment Co., Ltd.	With the Company's supervisor as the representative	
							Wan Ta Investment Co., Ltd.	With the same person as the representative	
Labor Pension Fund	420,532,995	2.60%	0	0%	0	0%	None		-
Shin Kong Life Insurance Co., Ltd. Representative: Bao-Sheng Wei	309,077,422	1.91%	0	0%	0	0%	None		-
Citibank (Taiwan) as Directed Trustee For GIC-Government of Singapore	277,291,767	1.71%	0	0%	0	0%	None		-
Labor Insurance Fund	216,842,296	1.34%	0	0%	0	0%	None		-
Taishin International Bank Co., Ltd. is entrusted to manage the Taiwan ESG Perpetual High Dividend ETF Securities Investment Trust Fund Special Account of Cathay Taiwan High Dividend Umbrella Securities Investment Trust Fund	196,318,486	1.21%	0	0%	0	0%	None		-
Baising Investment Co., Ltd. Representative: Teng-Ko Yeh	195,548,956	1.21%	0	0%	0	0%	None		-
TransGlobe Life Insurance Inc. Representative: Wen-Hui Lin	184,992,668	1.14%	0	0%	0	0%	None		-
Wan Ta Investment Co., Ltd. Representative: Weng-Chuan Lin	181,355,088	1.12%	0	0%	0	0%	Wan Pao Development Co., Ltd.	With the same person as the representative	-
							Lin Yuan Investment Co., Ltd.	With the same person as the representative	

Note 1: All top ten shareholders should be enumerated in full. In case of juristic (corporate) person shareholders, the names of all such juristic (corporate) person shareholders and their representatives should be enumerated respectively.

Note 2: The shareholding ratios should be calculated based on the own names, names of spouses, minor children respectively.

Note 3: On the aforementioned shareholders, including juristic (corporate) persons and natural persons (individuals), the relationship among them should be disclosed based on the rules for financial statements of the financial holding company.

Note 4: The calculation of the number of shares and shareholding ratio includes ordinary shares, Preferred Share A and Preferred Share B.

**IX. Invested businesses jointly held between the financial holding company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the financial holding company; disclose shareholding in aggregate of the above parties (Table 5)**

March 30, 2025  
Unit: thousand shares

Business investment (Note)	Held by the Company		Held by Directors, Supervisors, Managers, and Directly/Indirectly Controlled Businesses		Aggregate ownership	
	Number of shares	Ratio of sharehold- ing	Number of shares	Number of shares	Ratio of shareholding	Number of shares
Cathay Life Insurance Co., Ltd.	6,351,527	100%	0	0%	6,351,527	100%
Cathay United Bank Co., Ltd.	12,011,314	100%	0	0%	12,011,314	100%
Cathay Century Insurance Co., Ltd.	200,000	100%	0	0%	200,000	100%
Cathay Securities Corporation	770,000	100%	0	0%	770,000	100%
Cathay Securities Investment Trust Co., Ltd.	150,000	100%	0	0%	150,000	100%
Cathay Venture Inc.	388,630	75%	129,543	25%	518,173	100%
Taiwan Depository and Clearing Corporation	3,229	0.41%	1,320	0.17%	4,549	0.58%

Note: Investees of Cathay Financial Holding Co., Ltd. and the subsidiaries.



## Three. Capital Overview

### I. Capital and Shares

#### (I) Capital Source (Table 6)

Unit: thousand shares; except for the issuance price in NTD, all the others are in NT\$ thousand

Date	Issue price	Registered Capital		Total Paid-in Capital		Remarks	
		Number of shares	Amount	Number of shares	Amount	Capital Source	Others
2001/12	None	12,000,000	120,000,000	5,838,615	58,386,157	Share swap with Cathay Life	None
2002/4	None	12,000,000	120,000,000	6,095,872	60,958,728	Share swap with Cathay Century Insurance and Cathay Bank	
2002/12	None	12,000,000	120,000,000	8,453,163	84,531,631	Share swap with United World Bank	
2003/1	None	12,000,000	120,000,000	8,307,489	83,074,891	De-capitalization due to cancellation of treasury stocks Tai-Cai-Bao-Zi No. 0920005950 (February 24, 2003)	
2005/2	54.15	12,000,000	120,000,000	8,318,644	83,186,447	Corporate bond conversion	
2005/4	54.15	12,000,000	120,000,000	8,474,933	84,749,335	Corporate bond conversion	
2005/8	51.94	12,000,000	120,000,000	8,482,094	84,820,937	Corporate bond conversion	
2005/10	51.94	12,000,000	120,000,000	8,524,223	85,242,234	Corporate bond conversion	
2006/4	51.94	12,000,000	120,000,000	8,526,886	85,268,865	Corporate bond conversion	
2006/8	50.84	12,000,000	120,000,000	9,072,936	90,729,366	Corporate bond conversion and capitalization of retained earnings FSC, Jin-Guan-Yin-(VI)-Zi No. 09500406660 (September 21, 2006), Share swap with The Lucky Bank	
2006/10	48.43	12,000,000	120,000,000	9,092,588	90,925,878	Corporate bond conversion	
2007/2	48.43	12,000,000	120,000,000	9,224,080	92,240,796	Corporate bond conversion	
2007/4	48.43	12,000,000	120,000,000	9,277,019	92,770,192	Corporate bond conversion	
2008/8	None	12,000,000	120,000,000	9,737,537	97,375,372	Capitalization of retained earnings FSC, Jin-Guan-Yin-(VI)-Zi No. 09700330020 (August 27, 2008)	
2009/10	None	12,000,000	120,000,000	9,670,877	96,708,774	De-capitalization through cancellation of treasury shares FSC, Jin-Guan-Yin-Kong-Zi No. 09800513790 (October 28, 2009)	
2010/9	None	12,000,000	120,000,000	10,154,421	101,544,213	Capitalization of retained earnings FSC, Jin-Guan-Yin-Kong-Zi No. 09900344130 (September 14, 2010)	
2011/8	None	12,000,000	120,000,000	10,357,510	103,575,097	Capitalization of retained earnings FSC, Jin-Guan-Yin-Kong-Zi No. 10000293110 (August 25, 2011)	
2012/9	None	12,000,000	120,000,000	10,865,385	108,653,850	Capitalization of retained earnings FSC, Jin-Guan-Yin-Kong-Zi No. 10100291270 (September 12, 2012)	
2013/9	36	12,000,000	120,000,000	11,218,385	112,183,850	Cash capital increase by issuance of common stock FSC, Jin-Guan-Yin-Kong-Zi No. 10200271410 (September 26, 2013)	

2013/11	None	12,000,000	120,000,000	11,964,962	119,649,620	Capitalization of retained earnings FSC, Jin-Guan-Yin-Kong-Zi No. 10200327950 (November 29, 2013)
2014/8	None	18,000,000	180,000,000	12,563,210	125,632,101	Capitalization of retained earnings FSC, Jin-Guan-Yin-Kong-Zi No. 10300240490 (August 20, 2014)
2016/12	60	18,000,000	180,000,000	13,396,510	133,965,101	Cash capital increase by issuance of Series A Preferred Share FSC, Jin-Guan-Zheng-Fa-Zi No. 1050041628 (October 25, 2016)
2018/6	60	18,000,000	180,000,000	14,096,510	140,965,101	Cash capital increase by issuance of Series B Preferred Share FSC, Jin-Guan-Zheng-Fa-Zi No. 1070313814 (May 10, 2018)
2019/12	35	18,000,000	180,000,000	14,702,510	147,025,101	Cash capital increase by issuance of common stock FSC, Jin-Guan-Zheng-Fa-Zi No. 1080331065 (September 24, 2019)
2022/12	35	18,000,000	180,000,000	16,202,510	162,025,101	Cash capital increase by issuance of common stock FSC, Jin-Guan-Zheng-Fa-Zi No. 1110361791 (November 18, 2022)

Note: Data as of the publication date of annual report.

Unit: thousand shares

Share Type	Registered Capital			Remarks
	Outstanding shares	Un-issued shares	Total	
Common stock	14,669,210	1,797,490	18,000,000	Listed stocks
Series A Preferred Share	833,300			
Series B Preferred Share	700,000			

## (II) List of major shareholders (Table 9)

April 15, 2025

Names of major shareholders	Shares	Number of shares held	Ratio of shareholding (%)
Wan Pao Development Co., Ltd.		2,540,990,110	15.68
Lin Yuan Investment Co., Ltd.		2,249,443,425	13.88
Labor Pension Fund		420,532,995	2.60
Shin Kong Life Insurance Co., Ltd.		309,077,422	1.91
Citibank (Taiwan) as Directed Trustee For GIC-Government of Singapore		277,291,767	1.71
Labor Insurance Fund		216,842,296	1.34
Taishin International Bank Co., Ltd. is entrusted to manage the Taiwan ESG Perpetual High Dividend ETF Securities Investment Trust Fund Special Account of Cathay Taiwan High Dividend Umbrella Securities Investment Trust Fund		196,318,486	1.21
Baising Investment Co., Ltd.		195,548,956	1.21
TransGlobe Life Insurance Inc.		184,992,668	1.14
Wan Ta Investment Co., Ltd.		181,355,088	1.12

Note: The above is the list of the top ten shareholders in terms of percentage of equity. (The calculation of equity percentage includes common shares, and preferred shares of A and B)

### **(III) Dividend Policy and Implementation**

#### **1. Dividend policies set under the Articles of Incorporation**

- (1) In order to continue the business expansion and to enhance the profit earning capability, as well as to reserve the capital needed based on the long-term financial planning for perpetual operation and stabilized development, the Company has adopted a residual dividend policy.
- (2) Surpluses concluded from a financial year are first subject to taxation and reimbursement of previous losses, followed by provision for legal reserve, provision of special reserve under laws or practical needs, and distribution of preferred dividends. The remaining balance (referred to as “Current Year Earnings” below) plus undistributed earnings carried from previous periods and special reserve lawfully reversed are available for distribution, and for which the board of directors will present an earnings appropriation proposal based on the Company’s operational plans and submit for approval during a shareholder meeting. Dividends should be primarily paid in shares to preserve liquidity, whereas the remainder can be paid in cash; however, the sum of dividends paid shall not be less than 20% of Current Year Earnings, and the cash portion shall not be less than 10% of total dividends.

2. Distribution of dividend proposed in the current shareholders’ meeting: At NT\$3.5 per share as cash dividend.

### **(IV) Impact to -Business Performance and EPS Resulting from the Proposal of Stock Dividend Distribution Made at the Recent Shareholders’ Meeting**

As the Company did not disclose the complete financial forecast for 2025, the impact of the disclosure of the forecasted financial information is not applicable. This is in accordance with the “Regulations Governing the Publication of Financial Forecasts of Public Companies” and “Standards for Recognition of the Complete Forecasts That Should Be Disclosed By Public Companies”.

### **(V) Remuneration of Employees, Directors and Supervisors**

1. The percentage or range of remuneration to the employees, directors and supervisors are delineated under the Articles of Incorporation:  
0.01% to 0.05% of profit of the current year is distributable as employees’ compensation and no higher than 0.05% of profit of the current year is distributable as remuneration to directors. However, the company’s accumulated losses shall have been covered.
2. The basis for estimating the amount of employee and director remuneration, shall take into account the number of shares to be distributed as stock bonuses, and the accounting treatment of any discrepancy between the actual distributed amount and the estimated figure for the current period:  
Employee remuneration was estimated based on the average amount paid in the last 3 years, the current year’s profitability and the percentages outlined in the Articles of Incorporation, and accrued on a monthly basis. Meanwhile, director remuneration was estimated based on “Cathay Financial Holdings Co., Ltd., Regulations Governing Remuneration Paid to the Directors” (no provision is made in the case of after-tax loss). The estimated figure shall be accounted as an operation expense for the current fiscal year. Accounting treatment for any discrepancy between the final approved figures from the shareholders’ meeting and the

estimated figures shall follow the principles under the Statements of Financial Accounting Standards.

3. Remuneration distribution approved by the Board:

(1) The remuneration amount of employees and directors distributed in cash or shares. If there are any discrepancies between the proposed value of the employee cash / stock bonuses, and director/supervisor compensation approved by the board of directors, in relation to the estimated figures in the period where the expenses are recognized, the discrepant value, its reasons, and its status shall be disclosed: As estimated for the current term, the cash remuneration to employees would come to NT\$11,085,239 (the Company had a total of 744 employees, with NT\$ 14,900 distributed to each and every employee) and NT\$1,800,000 as remuneration to directors.

(2) The remuneration amount of employees distributed in shares and the ratio of such amount accounting for the combined number of individual finance report net income and the total remuneration amount of employees: no remuneration of employees will be distributed in shares this fiscal year.

4. The actual distribution of employee and director/supervisor remuneration for the previous fiscal year (with an indication of the number, value and stock price of the shares distributed) shall be declared. If there is any discrepancy between the actual distribution and the recognized employee bonuses and director/supervisor compensation, the discrepancy, its cause, and its status must also be listed:

(1) Employee remuneration: NT\$4,784,038, which tallies with the original proposal from the board meeting.

(2) Board remuneration: NT\$1,800,000, which tallies with the original proposal from the board meeting.

**(VI) Share Buyback by the Financial Holdings Company**

In recent years, the Company has not conducted any share buybacks.

## II. Issuance of Corporate Bonds

### (I) Corporate bonds outstanding or pending issuance:

Corporate bond type(Note 2)		Second unsecured corporate bond for term 2019-1 (Note 6)	Third unsecured corporate bond for term 2019-1 (Note 6)
Issuing (transaction) date		May 8, 2019	
Face value		NT\$1 million	
Place of issuance and exchange(Note 3)		R.O.C.	
Issue price		100% issuance by denomination	
Total		NT\$4 billion	NT\$12 billion
Interest rate		Fixed interest rate per annum: 0.93%	Fixed interest rate per annum: 1.04%
Duration		7 years Expiration date: May 8, 2026	10 years Expiration date: May 8, 2029
Priority of repayment		Senior	
Guaranteeing institution		None	
Trustee		Mega International Commercial Bank Co., Ltd.	
Underwriting institution		Cathay Securities Co., Ltd., Cathay United Bank Co., Ltd., Yuanta Securities	
Certifying attorney		Baker & Mckenzie	
Certifying CPA (Note 4)		Ernst & Young	
Repayment method		Repayment of principal on due date	
Outstanding principal balance		NT\$4 billion	NT\$12 billion
Terms for redemption or early repayment		None	
Restriction Clause (Note 5)		None	
Whether included in qualifying capital		No	
Name of credit rating organization, rating date, bond rating results		Taiwan Ratings, October 22, 2024, twAA	
Other rights of bond holders	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed) up till the publication date of annual report	None	
	Issuance and conversion (traded or subscribed) regulations	None	
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion, or due to subscription or issuance terms		None	
Custodian of exchanged assets		None	

Corporate bond type(Note 2)		First unsecured corporate bond for term 2020-1 (Note 6)	Second unsecured corporate bond for term 2020-1 (Note 6)	Third unsecured corporate bond for term 2020-1 (Note 6)
Issuing (transaction) date		June 23, 2020		
Face value		NT\$1 million		
Place of issuance and exchange(Note 3)		R.O.C.		
Issue price		100% issuance by denomination		
Total		NT\$1.9 billion	NT\$6.5 billion	NT\$0.5 billion
Interest rate		Fixed interest rate per annum: 0.59%	Fixed interest rate per annum: 0.64%	Fixed interest rate per annum: 0.67%
Duration		5 years Expiration date: June 23,2025	7 years Expiration date: June 23,2027	10 years Expiration date: June 23,2030
Priority of repayment		Senior		
Guaranteeing institution		None		
Trustee		Mega International Commercial Bank Co., Ltd.		
Underwriting institution		Cathay Securities Co., Ltd., Cathay United Bank Co., Ltd., KGI Securities Co., Ltd.		
Certifying attorney		Baker & McKenzie		
Certifying CPA (Note 4)		Deloitte & Touche		
Repayment method		Repayment of principal on due date		
Outstanding principal balance		NT\$1.9 billion	NT\$6.5 billion	NT\$0.5 billion
Terms for redemption or early repayment		None		
Restriction Clause (Note 5)		None		
Whether included in qualifying capital		No		
Name of credit rating organization, rating date, bond rating results		Taiwan Ratings, October 22, 2024, twAA		
Other rights of bond holders	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed) up till the publication date of annual report	None		
	Issuance and conversion (traded or subscribed) regulations	None		
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion, or due to subscription or issuance terms		None		
Custodian of exchanged assets		None		

Corporate bond type(Note 2)		First unsecured corporate bond for term 2020-2 (Note 6)	Second unsecured corporate bond for term 2020-2 (Note 6)	Third unsecured corporate bond for term 2020-2 (Note 6)	Fourth unsecured corporate bond for term 2020-2 (Note 6)
Issuing (transaction) date		September 8, 2020			
Face value		NT\$1 million			
Place of issuance and exchange(Note 3)		R.O.C.			
Issue price		100% issuance by denomination			
Total		NT\$2.4 billion	NT\$7.8 billion	NT\$2.5 billion	NT\$8.4 billion
Interest rate		Fixed interest rate per annum: 0.61%	Fixed interest rate per annum: 0.64%	Fixed interest rate per annum: 0.66%	Fixed interest rate per annum: 0.70%
Duration		5 years Expiration date: September 8, 2025	6 years Expiration date: September 8, 2026	7 years Expiration date: September 8, 2027	10 years Expiration date: September 8, 2030
Priority of repayment		Senior			
Guaranteeing institution		None			
Trustee		Mega International Commercial Bank Co., Ltd.			
Underwriting institution		Cathay Securities Co., Ltd., Cathay United Bank Co., Ltd., KGI Securities Co., Ltd.			
Certifying attorney		Baker & McKenzie			
Certifying CPA (Note 4)		Deloitte & Touche			
Repayment method		Repayment of principal on due date			
Outstanding principal balance		NT\$2.4 billion	NT\$7.8 billion	NT\$2.5 billion	NT\$8.4 billion
Terms for redemption or early repayment		None			
Restriction Clause (Note 5)		None			
Whether included in qualifying capital		No			
Name of credit rating organization, rating date, bond rating results		Taiwan Ratings, October 22, 2024, twAA			
Other rights of bond holders	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed) up till the publication date of annual report	None			
	Issuance and conversion (traded or subscribed) regulations	None			
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion, or due to subscription or issuance terms		None			
Custodian of exchanged assets		None			

Corporate bond type(Note 2)		First unsecured corporate bond for term 2023-1 (Note 6)	Second unsecured corporate bond for term 2023-1 (Note 6)
Issuing (transaction) date		June 16, 2023	
Face value		NT\$1 million	
Place of issuance and exchange(Note 3)		R.O.C.	
Issue price		100% issuance by denomination	
Total		NT\$10.1 billion	NT\$8.9 billion
Interest rate		Fixed interest rate per annum: 1.62%	Fixed interest rate per annum: 1.82%
Duration		5 years Expiration date: June 16, 2028	10 years Expiration date: June 16, 2033
Priority of repayment		Senior	
Guaranteeing institution		None	
Trustee		Mega International Commercial Bank Co., Ltd.	
Underwriting institution		Cathay Securities Co., Ltd., Cathay United Bank Co., Ltd., KGI Securities Co., Ltd., Yuanta Securities Co., Ltd., Taishin International Bank Co., Ltd., Hua Nan Commercial Bank, Ltd.	
Certifying attorney		Baker & Mckenzie	
Certifying CPA (Note 4)		Deloitte & Touche	
Repayment method		Repayment of principal on due date	
Outstanding principal balance		NT\$10.1 billion	NT\$8.9 billion
Terms for redemption or early repayment		None	
Restriction Clause (Note 5)		None	
Whether included in qualifying capital		No	
Name of credit rating organization, rating date, bond rating results		Taiwan Ratings, October 22, 2024, twAA	
Other rights of bond holders	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed) up till the publication date of annual report	None	
	Issuance and conversion (traded or subscribed) regulations	None	
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion, or due to subscription or issuance terms		None	
Custodian of exchanged assets		None	



Corporate bond type(Note 2)		First unsecured corporate bond for term 2024-1 (Note 6)	Second unsecured corporate bond for term 2024-1 (Note 6)
Issuing (transaction) date		March 26, 2024	
Face value		NT\$1 million	
Place of issuance and exchange(Note 3)		R.O.C.	
Issue price		100% issuance by denomination	
Total		NT\$7.5 billion	NT\$3.5 billion
Interest rate		Fixed interest rate per annum: 1.65%	Fixed interest rate per annum: 1.78%
Duration		5 years Expiration date: March 26, 2029	10 years Expiration date: March 26, 2034
Priority of repayment		Senior	
Guaranteeing institution		None	
Trustee		Mega International Commercial Bank Co., Ltd.	
Underwriting institution		Cathay Securities Co., Ltd., Cathay United Bank Co., Ltd., KGI Securities Co., Ltd., Taishin International Bank Co., Ltd., Hua Nan Commercial Bank, Ltd.	
Certifying attorney		Baker & McKenzie	
Certifying CPA (Note 4)		Deloitte & Touche	
Repayment method		Repayment of principal on due date	
Outstanding principal balance		NT\$7.5 billion	NT\$3.5 billion
Terms for redemption or early repayment		None	
Restriction Clause (Note 5)		None	
Whether included in qualifying capital		No	
Name of credit rating organization, rating date, bond rating results		Taiwan Ratings, October 22, 2024, twAA	
Other rights of bond holders	Amount of common shares, global depository receipts, or other securities converted (exchanged or subscribed) up till the publication date of annual report	None	
	Issuance and conversion (traded or subscribed) regulations	None	
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion, or due to subscription or issuance terms		None	
Custodian of exchanged assets		None	

Note 1: Corporate bond handling includes publicly offered and privately raised corporate bonds. Publicly offered corporate bonds undertaken refers to those already taken effect (approved by the board); privately raised corporate bond refer to those that have passed a board resolution.

Note 2: The number of columns are subject to adjustment based on the number of actual undertakings or applications for approval.

- Note 3: To be filled for those falling under overseas corporate bonds.
- Note 4: Refers to the corporate bond issuance in accordance with the relevant laws and regulations and verification by a CPA that there are no CPAs involved in events listed in related regulations.
- Note 5: Such as restrictions on the distribution of cash dividends, external investments, or requirement to maintain a specific asset ratio.
- Note 6: If a private offering, please indicate prominently.
- Note 7: Those falling under conversion of corporate bonds, exchange of corporate bonds, general declaration of corporate bond issuance, or bonds with attached warrant shall disclose in tabulated form conversion corporate bond data, exchange corporate bond data, general declaration of corporate bond issuance, and bonds with attached warrant.
- Note 8: The balance of the corporate bonds outstanding period (terms) shall be summarized in accordance with the same approval number of the competent authority.

## (II) Corporate bonds maturing within one year

Corporate bond type	First unsecured corporate bond for term 2020-1	First unsecured corporate bond for term 2020-2
Issuing (transaction) date	2020/6/23	2020/9/8
Face value	NT\$1 million	NT\$1 million
Place of issuance and exchange	R.O.C.	R.O.C.
Issue price	100% issuance by denomination	100% issuance by denomination
Total	NT\$1.9 billion	NT\$2.4 billion
Interest rate	Fixed interest rate per annum: 0.59%	Fixed interest rate per annum: 0.61%
Duration	5 years Expiration date: June 23, 2025	5 years Expiration date: September 8, 2025

## (III) Issuance of convertible bonds, exchangeable bonds or bonds with warrant that are convertible / exchangeable into common shares, global depository receipts or other securities:

None.

## (IV) Offering and issuance of ordinary corporate bonds subject to aggregate reporting:

Total amount scheduled to be raised and issued	NT\$40 billion
Total amount raised (including the issuance date and amount of each issuance)	This lump-sum credit line has been approved by the Banking Bureau on 2025/4/1 and has not yet been issued.
Balance of Shelf Registration	NT\$40 billion
Part of the scheduled issuance period not issued	None

## (V) The handling of private placement corporate bonds in the last three years:

None.

### III. Issuance of Preferred Shares (Table 13)

Issuing (transaction) date		January 17, 2017 (Publicly Offered Series A Preferred Share) (Note 3)	
Item			
Face value		NT\$10	
Issue price		At NT\$60 par value	
Number of shares		833,300 thousand shares	
Total		NT\$49,998,000,000	
Rights and obligations	Distribution of dividends and bonuses	Annual Interest rate of 4.21% (7-year IRS rate 1.47%+2.74%, non-accumulated)	
	Distribution of the residual property	Preferred shareholders are entitled to a more senior claim over the Company's residual property than common shareholders, up to the issuance amount. All series of preferred shares issued by the Company carry the same level of seniority, which is subordinate to general creditors.	
	Exercise of voting rights	Shareholders of preferred shares do not have the right to vote and to be elected, but they have the right to vote in the shareholders' meeting for preferred shares or in the shareholders' meeting that involves with the rights and obligations of shareholders of preferred shares.	
	Others	<p>1. The Company has discretion over the dividend distribution of preferred shares. The Company may decide not to distribute dividends of preferred shares if there are no earnings in the annual accounts or the earnings are insufficient to distribute dividends of preferred shares, or the distribution of dividends of preferred shares will cause the capital adequacy ratio to be lower than the minimum requirement by laws or competent authority or other necessary consideration. The shareholders of preferred shares may not object to the decision.</p> <p>2. 7-year IRS interest rate will be reset on the next day of maturity and in every seven years. The interest rate reset pricing base date is the business day of Taipei financial industry two days prior to the reset date. The interest rate index for 7-year IRS is the arithmetic mean of the 7-year interest rate exchange pricing provided by "PYTWDFIX" and "COSMOS3" of Reuter at 11:00 a.m. of the Taipei financial industry business day of the interest rate pricing base date. If the said pricing is not available on the pricing base date, the issuance institutions may determine the pricing based of the principles of good faith and reasonable market price.</p> <p>3. Where the Company issues new shares for cash, shareholders of preferred stocks and common shares enjoy equal pre-emptive rights.</p>	
Outstanding preferred shares	The number recovered or converted shares	0	
	The balance of not recovered or not converted shares	NT\$49,998,000,000	
	Terms for recovery or conversion	The Company may recover all or some preferred shares with the original issuance price on the date after the date of seven full years of issuance.	
Market Share Price	2024	Highest	NT\$ 61.70
		Lowest	NT\$ 59.20
		Average	NT\$ 60.48
	As of March 30, 2025 (Note 4)	Highest	NT\$ 62.30
		Lowest	NT\$ 60.80
		Average	NT\$ 61.41
Other rights attached	Converted or optioned amount as of the publishing date of the annual report	Not applicable	
	Regulations Governing Issuance, Conversion or Option of Shares	Please refer to the Articles of Incorporation of the Company.	
The impact of issuance terms on the equities of shareholders of preferred shares, the possible dilution of equities, and the impact on the equities of current shareholders		None	

Issuing (transaction) date		August 8, 2018 (Publicly Offered Series B Preferred Share) (Note 3)	
Item			
Face value		NT\$10	
Issue price		At NT\$60 par value	
Number of shares		700,000 thousand shares	
Total		NT\$42,000,000,000	
Rights and obligations	Distribution of dividends and bonuses	Annual Interest rate of 3.55% (7-year IRS rate 1.1675%+2.3825%, non-accumulated)	
	Distribution of the residual property	Preferred shareholders are entitled to a more senior claim over the Company's residual property than common shareholders, up to the issuance amount. All series of preferred shares issued by the Company carry the same level of seniority, which is subordinate to general creditors.	
	Exercise of voting rights	Shareholders of preferred shares do not have the right to vote and to be elected, but they have the right to vote in the shareholders' meeting for preferred shares or in the shareholders' meeting that involves with the rights and obligations of shareholders of preferred shares.	
	Others	<p>1. The Company has discretion over the dividend distribution of preferred shares. The Company may decide not to distribute dividends of preferred shares if there are no earnings in the annual accounts or the earnings are insufficient to distribute dividends of preferred shares, or the distribution of dividends of preferred shares will cause the capital adequacy ratio to be lower than the minimum requirement by laws or competent authority or other necessary consideration. The shareholders of preferred shares may not object to the decision. Series B Preferred Share is non-cumulative, which means that undeclared or underdeclared dividends are not accumulated and will not be deferred until the year the Company makes profit.</p> <p>2. 7-year IRS interest rate will be reset on the next day of maturity and in every seven years. The interest rate reset pricing base date is the business day of Taipei financial industry two days prior to the reset date. The interest rate index for 7-year IRS is the arithmetic mean of the 7-year interest rate exchange pricing provided by "TAIFXIRS" and "COSMOS3" of Reuter at 11:00 a.m. of the Taipei financial industry business day of the interest rate pricing base date. If the said pricing is not available on the pricing base date, the issuance institutions may determine the pricing based of the principles of good faith and reasonable market price.</p> <p>3. Where the Company issues new shares for cash, shareholders of preferred stocks and common shares enjoy equal pre-emptive rights.</p>	
Outstanding preferred shares	The number recovered or converted shares	0	
	The balance of not recovered or not converted shares	NT\$42,000,000,000	
	Terms for recovery or conversion	The Company may recover all or some preferred shares with the original issuance price on the date after the date of seven full years of issuance.	
Market Share Price	2024	Highest	NT\$ 60.10
		Lowest	NT\$ 56.40
		Average	NT\$ 58.92
	As of March 30, 2025 (Note 4)	Highest	NT\$ 61.80
		Lowest	NT\$ 59.80
		Average	NT\$ 60.76
Other rights attached	Converted or optioned amount as of the publishing date of the annual report	Not applicable	
	Regulations Governing Issuance, Conversion or Option of Shares	Please refer to the Articles of Incorporation of the Company.	
The impact of issuance terms on the equities of shareholders of preferred shares, the possible dilution of equities, and the impact on the equities of current shareholders		None	

Note 1: Status of corporate bonds, including undergoing public offering and private placement of preferred shares. The publicly offered preferred shares are those entered into effect (approved) by Financial Supervisory Commission; the privately offered preferred shares are those approved by the Board.

Note 2: The number of columns is adjusted by the number of issuances or application approvals.

Note 3: If a private offering, please indicate prominently.

Note 4: Data as of the publication date of annual report.

#### IV. Issuance of Global Depositary Receipts (Table 14)

Issuing (transaction) date		July 29, 2003 (Initial Issuance) (Note 3)	November 9, 2004 (Seasonal Issuance) (Note 3)	Year 2005 to April 30, 2009 (Through ECB conversion) (Note 3)
Item				
Place of issuance and exchange		Issuance: Europe, Asia, and the U.S.A. Listing: Luxembourg Stock Exchange		
Total Amount		US\$521,605,500	US\$494,528,116	The calculation of the number of units is based on the conversion price, ECB exchange rate, and the GDR unit converted from the ECB
Issue Price Per GDR		US\$11.63	US\$19.4	Based on the conversion price and exchange rate of the ECB
Units Issued		44,850,000 units	25,491,140 units	3,216,324 units
Underlying Securities		Common and treasury shares held by Cathay Life Insurance	Treasury shares of the Company	New common shares issued by the Company
Common Shares Represented		448,500,000 shares	254,911,400 shares	32,163,240 shares
Rights & Obligations of GDR Holders		Same as those of the common shareholders		
Trustee		Citi bank		
Depositary Bank		Citi bank		
Custodian Bank		Citibank Taiwan		
Outstanding Balance (Note 4)		3,310,449 units		
Apportionment of Expenses for Issuance & Maintenance		Issuing expenses are paid by Cathay Life Insurance and the Company. Expenses (including the listing fee, information disclosure and other fees) occurred during the listing period are covered by the Company in general.	Borne by the Company	
Terms and Conditions in the Deposit Agreement & Custody Agreement		Based on the relevant laws and regulations of the R.O.C., the GDR holders have the rights and responsibilities that are stipulated in the Deposit Agreement. The rights and responsibilities of the depository and custodian agencies are stipulated under the custody agreement.		
Closing Price Per GDR (Note 2)	2024	Highest	US \$ 21.83	
		Lowest	US \$ 13.70	
		Average	US \$ 17.98	
	As of March 30, 2025	Highest	US \$ 21.12	
		Lowest	US \$ 19.33	
		Average	US \$ 20.36	

Note 1: GDRs include both publicly offered and privately placed GDRs. Publicly offered GDRs are those that have been approved by the FSC; privately placed GDRs are those that have been approved by the resolution of the board.

Note 2: Those who have issuing Global Depositary Receipts, the market closing prices for the security in the last year and before the printout date of this Report should be listed. If listed in multiple exchanges, all bourses should be shown.

Note 3: If a private offering, please indicate prominently.

Note 4: Outstanding balance as of March 30, 2025.

## **V. Issuance of Employee Stock Option Plan**

None.

## **VI. Issuance of New Restricted Employee Shares**

None.

## **VII. Merger and Acquisitions or Transfers of other Financial Institutions**

### **(I) Financial institutions merged or acquired in the last year:**

None.

### **(II) Mergers or acquisitions of other financial institutions in the last five years:**

None.

### **(III) Where the board has, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, approved any issuance of shares in connection with a merger or acquisition or with acquisition of shares of any other financial institutions, the implementation status and the basic information of the financial institution to be merged or acquired or whose shares are to be acquired:**

None.

## **VIII. Implementation of the Capital Utilization Plans**

### **(I) Plan content**

Please refer to the MOPS

Market Observation Post System > Single Company > Equity Change/Securities Issuance > Fundraising > Execution of Fundraising Plan

([https://mopsov.twse.com.tw/mops/web/bfhtm\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtm_q2))

### **(II) Implementation**

Market Observation Post System > Single Company > Equity Change/Securities Issuance > Fundraising > Execution of Fundraising Plan

([https://mopsov.twse.com.tw/mops/web/bfhtm\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtm_q2))

## Four. Overview of Operations

### I. The content of business

#### (I) The scope of business

##### ■ Cathay Financial Holding Co., Ltd.

##### 1. The content of principal business:

The Company is a financial holding company and the scope of its business is limited to investment in and management of enterprises in which it has invested under the Financial Holdings Company Act. Financial holding companies may invest in the following business:

- (1) Financial holdings company
- (2) Banking
- (3) Bills finance
- (4) Credit cards
- (5) Trust
- (6) Insurance
- (7) Securities
- (8) Futures
- (9) Venture capital investment
- (10) Investment in foreign financial institutions at the approval of the competent authority
- (11) Other banking related business as recognized by the competent authority

##### 2. Revenue breakdown:

Revenues in 2024		Amount (NT\$ thousands)	Proportion (%)
Return on investment recognized under equity method	Cathay Life Insurance Co., Ltd.	66,341,853	58.3
	Cathay United Bank Co., Ltd.	37,800,304	33.2
	Cathay Century Insurance Co., Ltd.	2,637,368	2.3
	Cathay Securities Corporation	4,176,596	3.7
	Cathay Securities Investment Trust Co., Ltd.	2,441,888	2.2
	Cathay Venture Inc.	476,428	0.4
	Subtotal	113,874,437	100.1
Other revenues		2,181,837	1.9
Other expenses and loss		(2,272,816)	-2.0
Total net revenues		113,783,458	100

##### 3. New financial products and services under planning:

The main business of the Company is investment and management of investees. For information of the development of new financial products and services, please refer to the following parts of the subsidiaries.

##### ■ Cathay Life Insurance Co., Ltd.

##### 1. The content of principal business:

Cathay Life is a life insurer and is engaged in the sales of life insurance policies and related products.

##### 2. Revenue breakdown:

Business type	Proportion (%)
Life insurance	54.4
Accidental injury insurance	3.7
Health insurance	22.6
Annuity	0.0
Investment-linked insurance	19.3
Total	100.0

### 3. New financial products and services under planning:

#### (1)Product innovation:

The mission of an insurance company is to provide customers with a healthy lifestyle and a full retirement. In 2025, the company will continue to focus on “protection and friendliness for older adults” and satisfy customers' four major needs through “customer groups, products, and services” to continue to develop new products:

- A. Medical protection: Strengthen market segmentation. In addition to the general public, develop customized products for specific customer groups, and develop innovative products (such as new products for protecting mental diseases).
- B. Older life: For the rapidly-growing population of older adults, the Company has built an optimal pension flow with its comprehensive income transformation and investment product portfolio, and optimized the needs of exclusive products for this group. For the management of older adults with high-end needs, the Company has added their preferred elements, and also considered the inheritance of assets and the self-use of insurance.
- C. Asset security: Strengthen the asset allocation ratio and the types of trust service such as installment payment to enhance asset inheritance. In addition, expand the types of A&H payment or diversified payment in the comprehensive insurance to increase the demand for self-use of insurance and satisfy the needs of customers.
- D. Good Health: Take initiatives to encourage ongoing health promotion for the general public; the health promotion incentive program “FitBack” provides abundant rewards for health promotion and continuous strengthening of business interactions. In addition, the Company has incorporated a comprehensive outwriting mechanism for health insurance products to expand product influence.

(2)Customer management: The Company aims to achieve three-win solutions between the Company, the channel and the customer, and develop marketing channels with precise targeting of products and services to customers. The customer-centric approach is adopted to provide customers with a complete customer journey. Unit transition applications are implemented to optimize business performance and meet customer needs. The customer group management model is optimized continuously.

#### (3)Digital development:

- A. Optimization of experience and service: Cathay Life continues to build an ecological circle of finance and travel, and work with partners from different industries to provide customers with one-stop shopping services in the daily consumer environment. Meanwhile, the Company continues to strive for online insurance related regulatory breakthroughs and meet more needs of digital groups with technological assistance. The core goal of the “App” will be “tailored” to provide a smarter, more personalized, and safer digital insurance experience. The App 3.0 will be revised continuously. In the future,



the AI application will be used to innovate services to assist with account management and policy protection, improve the after-sales experience of insurance, provide digital account information security, and refine digital membership to provide a personalized service experience to improve adhesion and create value. In addition to continuously improving after-sales service, the company also integrates health promotion and Tree Life program, and provides more comprehensive services to customers.

B. In response to the digital trend in the industry, as digital insurance companies are allowed to offer new products and services, Cathay Life Insurance has continued to explore new products and service models, and to learn more about customer needs through digital services. The goal is to provide a comprehensive insurance experience through online and offline channels, and to expand the opportunities for potential customers through group resources and strategic alliances with other industries, so as to lay out a new insurance market.

## ■ Cathay United Bank Co., Ltd.

### 1. The content of principal business:

- (1)Consumer banking
- (2)Corporate banking service
- (3)Wealth management
- (4)Trust
- (5)Foreign currency service
- (6)Credit card
- (7)Financial payment
- (8)Digital banking services
- (9)Overseas operations
- (10)Treasury service

### 2. Revenue breakdown:

Business type	Proportion (%)
Corporate banking	16.3
Consumer banking	54.5
Wealth management	16.5
Investment and other	12.7
Total	100.0

### 3. New financial products and services under planning:

- (1)Actively develop digital cash flow service, and optimize personal loan service experience on the digital channel for increased account utilization, thereby allowing the Bank's financial service to be integrated with the daily lives and operation scenarios of customers in order to become the primary bank for customers.
- (2)Digital empowerment drives the continuous growth of the CUBE brand. The innovative spirit of the CUBE is practiced in more cross-product connections and experiential design to create an independent and diversified personal financial experience becoming a one-stop shop for financial products and as a financial steward for every customer.
- (3)Under the vision of "The best financial institution in Asia Pacific region," the Bank will complete its overseas operations, and make good use of the advantages of its domestic and overseas branches and partners, to link the

platforms of home and abroad, and connect with the development trends for the entire bank.

- (4) Adhere to the corporate sustainability strategy and provide green finance services by enforcing ESG; enhance operating synergy through hardware/software implementation, collection of big data, application of diverse scenarios, process optimization, and strengthening of sales channels.
- (5) Enforce risk management mechanisms and sustainable practices while pursuing service innovation and business growth.

#### ■ Cathay Century Insurance Co., Ltd.

1. The content of principal business:

Cathay Century Insurance is a property insurer that sells different types of insurance policies (including accidental injury and health) and related products.

2. Revenue breakdown:

Business type	Proportion (%)
Automobile insurance	54.5
Fire and engineering insurance	23.8
Flood insurance	3.9
Injury health insurance	8.2
Casualty insurance	9.6
Total	100.0

3. New financial products and services under planning:

- (1) Personal insurance
- (2) Commercial insurance
- (3) Comprehensive insurance
- (4) Special channel insurance

#### ■ Cathay Securities Corporation

1. The content of principal business:

- (1) Securities underwriting
- (2) Dealing of securities on central exchange
- (3) Brokerage trading of securities on central exchange
- (4) Dealing of over-the-counter securities
- (5) Brokerage trading of over-the-counter securities
- (6) Margin financing and stock lending
- (7) Registrar and transfer services
- (8) Securities lending (except for book-entry central government bonds)
- (9) Wealth management - financial products advisory or sales services
- (10) Wealth management - conduct asset allocation for customers with trust method
- (11) Brokerage trading of foreign securities – sub-broker, high net worth customers
- (12) Introducing futures brokering
- (13) Futures business
- (14) Securities-backed lending
- (15) Unrestricted purpose loans
- (16) Security Token Offering
- (17) International securities service

(18) Money trust, securities trust, non-discretionary money trust management, and special-purpose non-discretionary money trust management

(19) Other securities-related business approved by the regulator

2. Revenue breakdown:

Business type	Proportion (%)
Brokerage	85.1
Proprietary trade	12.1
Underwriting	2.5
Others	0.3
Total	100.0

3. New financial products and services under planning:

(1) Complete and improve the products and functions in the Cathay Securities' APP and refine user experience for online service.

(2) Continue to develop diverse financial products, such as warrants and structured products to address customers' demands for standardized and customized investments.

■ **Cathay Securities Investment Trust Co., Ltd.**

1. The content of principal business:

(1) Securities Investment Trust

(2) Discretionary investment

(3) Securities investment consulting

(4) Futures trust

(5) Other relevant operations approved by the competent authority

2. Revenue breakdown:

Business type	Proportion (%)
Management fee income – mutual funds	71.3
Management fee income – private placement funds	0.2
Management fee income – private equity funds	1.0
Management fee income – discretionary investment	25.0
Sales commission incomes	2.3
Service fee incomes – discretion consulting contracts	0.2
Total	100.0

3. New financial products and services under planning:

(1) Develop low-carbon-emission/climate-related products by following the global ESG trend and government's policy and promote the investment portfolio for carbon reduction.

(2) Investment capital continues to flow into passive products. It is intended to build a full channel and a full age investment generation, so that Cathay ETF can deploy its marketing strategies, product development lines and market application areas to achieve a leading position in the market. Develop products aligned with future market trends and customer needs, such as product lines designed for cash flow planning, capital appreciation, omni-channel distribution, and retirement planning.

(3) The goal of the whole commodity frame is to promote the active management of products in two aspects: A) To analyze and develop strategic products based on the elements of necessity, uniqueness, human factors, and three factors; B)

To have other products with special niches, such as ETFs that demonstrate the active management capabilities of the investment team or products that are not suitable for passive management.

- (4) The Group will continue to promote wealth management and retirement planning for life through the “ETF Cafe” website, which is optimized for the wealth management education website. The Group will also continue to promote wealth management and retirement planning for life through online and offline activities.
- (5) The Group improves the account opening experience, and expands the automatic deduction mechanism and operation automation, to improve the customer experience, and reduce the difficulty in opening accounts, and improve operation efficiency. Further enhance the functions and services of the Cathay Securities Investment Trust App, including the addition of detailed annual ETF dividend summaries to help customers easily access tax-related dividend information via the App. This App continues to support customers in reducing carbon emissions and protecting the environment. In addition, the App provides convenient tracking and notification features for products and services, ensuring that key information is delivered without omission.

#### ■ Cathay Venture Inc.

1. The content of principal business:

Cathay Venture is a venture capital investment firm that focuses on investing in unlisted companies with growth potential and works with its portfolio companies to help them realize their highest potential and value.

2. Revenue breakdown:

Business type	Proportion (%)
Securities sales and investment income	98.0
Interest and other income	2.0
Total	100.0

## (II) Business plan of the year

#### ■ Cathay Financial Holding Co., Ltd.

The global political and economic situation in 2024 is full of turbulence and challenges. In terms of economics, as the inflationary pressure in the major economies in the world has eased, central banks of various countries have seen a trend of interest rate cuts. However, with the end of the U.S. election, and the geopolitical war still ongoing, it is expected that short-term economic fluctuations, the central bank's monetary policies and geopolitical threats will continue to affect global political and economic development. Looking forward to 2025, global economic growth will be driven by fields such as AI and energy innovation. However, following the new policies of the U.S. President, Trump, market uncertainty will intensify, such as the risk of protectionism, restart of trade negotiations, and immigration policies. It is necessary to face new opportunities and challenges with a prudent attitude. For the upcoming year, Cathay Financial Holdings will continue to closely monitor any changes in the global political and economic status. In addition, Cathay Financial Holdings will also uphold the sustainable operation philosophy to achieve maximum value for its shareholders, customers and employees based on the core values of “Integrity, Accountability, and Innovation.” We will adopt appropriate business strategies in response to rapidly changing markets.

Looking ahead, Cathay Financial Holdings will continue to improve its regional presence, promote digital transformation and business innovation, and fulfill its

financial role in a sustainable way through a long-term and stable development strategy. The main theme of “BETTER TOGETHER” aims to achieve the goals of “a sustainable future, a digital lifestyle, and a healthy home”. The 2025 business policy overview is as follows:

**1. We will gradually complete our regional deployment in order to become the “Best Financial Institution in the Asia Pacific Region”:**

With the vision of becoming the “Best Financial Institution in Asia Pacific,” the financial holding company will link the operation network of the Greater China region and the markets of ASEAN through a comprehensive regional deployment to provide financial services and products that meet the needs of Taiwanese businessmen and local customers. With successful experience in Taiwan's financial development, resources from local strategic partners, and cultivation of key international talent, the financial holding company will deepen its local operations to create business opportunities for enhancing the Group's operational value and profits for shareholders.

Cathay Financial Holdings believes that only a sound foundation can support growth. The two main business units, banking and insurance, are the foundation of the Group's asset management business. The heads of each subsidiary are responsible for collecting and organizing the three core financial capabilities, namely research, product development, and channel expansion, to expand the scope of their asset management capabilities and services. This will create a better drive for the Group's third profitability. The Company will also leverage its experience as the largest asset management provider in Taiwan to promote cooperation with partners in different channels to promote the transformation of Taiwan into one of the Asian Asset Management Centers.

**2. Creating a new healthy financial environment through technology:**

Cathay Financial Holdings has been able to build a strong culture of cross-industry integration and create a digital, data-driven culture by leveraging its digital, data, technology and cross-industry resources. This has enabled the Company to maintain the stability of its financial services and optimize its service processes. Cross-industry collaboration, data-driven innovation, process-driven innovation, and scenario-driven innovation of new products has enabled the Company to enhance its customer experience and improve its operating efficiency. The core of the Company is Cathay as a Service (CaaS) to satisfy the financial needs of different lifestyles of customers, and to become a “technology company with a core in finance”.

Currently, Cathay Financial Holdings combines with its subsidiaries to provide customers with a one-stop digital financial platform and virtual reality integrated services with digital, data and technology. It also uses AI and big data to gain insights into customer needs. In addition to incorporating personalized financial services into customers' daily lives, it incorporates sports and artistic elements to help customers realize a healthy lifestyle with a quality experience. It is hoped that the Company can continue to build a one-stop digital financial platform where customers can have an excellent experience.

**3. Combining financial functions and sustainable development to achieve sustainable business goals:**

In the face of a financial supervision system that is becoming more stringent, the global political and economic situation, and the operational risks of climate change, the Company has adopted a prudent and practical attitude to respond to the impact of market changes on the financial environment. It has also integrated its three main operations, namely “insurance, banking, and asset management,” to align with the international sustainability framework, so that sustainability is integrated into the core functions of the Company. It has also established the three main sustainability strategies, namely “climate, health, and development,” based on the

Group's diversified financial functions, and core sustainability, to establish a sustainable financial strategy blueprint.

Cathay Financial Holdings has adhered to its core spirit of “Sustainable Cathay, Always with Our Neighbors” to achieve sustainable business goals and lead the industry in sustainable development.

#### ■ Cathay Life Insurance Co., Ltd.

Cathay Life’s mission is “Security in Life” to prioritize the rights and interests of the policyholders as one of the utmost considerations, to elevate the brand value and influence through the corporate sustainability and core functions, to move towards the goal of becoming the international benchmark brand of insurer. With the vision of “Smart, Simple, and Safe through InsurTech,” we will invest in development with innovative thinking, re-shape the insurance service with innovative ideas, and solidify the data, IT and business support, and actively integrate the advantages of online, offline and all channels to build a comprehensive protection system and provide more efficient service support.

##### 1. Digital development

- (1) Digital platform assists customers in their operations: All-round experience from customer contact to re-ordering

The Company is committed to building a digital leading brand in Taiwan's insurance industry, with AI technology and big data as the core, optimizing comprehensive services for customers on the digital platform, creating a “tailored” marketing service experience, achieving precise customer marketing, strengthening customer interaction, highly efficient customer conversion, and creating an active customer circle. Through the Online Merge Offline (OMO) model, the company is able to break through the boundaries of virtual reality and provide customers with an uninterrupted insurance service experience, thereby enhancing customer satisfaction and promoting re-purchase behavior.

- (2) Group ecological circle: Partner with the Group and other partners from different industries to build a complete ecological circle service

The Group has strengthened inter-group cooperation (such as Cathay United Bank and CUBE Rewards), and precisely marketed with customer data. Meanwhile, through innovative service scenarios such as travel, milestone feedback, and airport handover, the Group has successfully attracted young people. AI personalized recommendation technology is used to provide the best insurance products to customers at the best time to satisfy the needs of diverse living scenarios.

- (3) Innovative products and services: The Company will develop new business types and provide digital customers with a more comprehensive experience and protection.

In response to the authority's financial technology development planning, the Company will strive for digital insurance regulations to be relaxed (such as: online insurance services) to optimize customers' digital insurance experience. The Company also launched the first “Online Insurance Platform” in the industry through the business trial run, to provide corporate customers with end-to-end network insurance services. In addition, the Company is planning to conduct a trial run of the facial identity verification mechanism, and realize the goal of identity verification, simplified signature and paperless documents, and provide customers with more convenient and safer digital insurance services.

##### 2. Business development

- (1) Customer Management: The Group's resources are used to the fullest extent possible to deliver the best value of the Group's life insurance consulting service.
  - A. In response to the supervision system integration, the distribution channel continues to promote value-oriented products, strengthen the promotion of health and accidental injury insurance products, promote health services and professional knowledge certifications, and link customers' lifestyles to practice the essence of insurance.
  - B. Digital tools are used to integrate business resources, optimize administrative and marketing efficiency, cover service information sharing, demand analysis, insurance application procedures and policy services, and comprehensively improve customer experience.
  - C. Through deepened customer management and the integration of marketing (property and casualty insurance, securities, trust) advantages, digital tools are applied to expand the service scope and provide customers with more comprehensive protection and asset accumulation planning.
- (2) Organizational development: Refining the full-time team and strengthening the channel's physical fitness
  - A. Through campus operations and the CA (Collaborative Agent) team, we will expand campus competition, encourage channel connections to campus and concurrent job activities, and strengthen the adhesion of various groups (students, the job field, and the working population).
  - B. Continue to promote the Pilot Star Agent (PSA) to develop the marketing profession of new people with AI intelligent training, and combine the exclusive honor and team rewards to build up cohesion, and solidify the development momentum of the channel organization.
  - C. Cultivation of sales representatives and heads of sales departments; implementation of talent pool operations and system guidance; improvement of the functions of talent at all levels; creation of a benchmark sharing mechanism; expansion of the spirit and influence of insurance.
- (3) Organizational sustainability: Promote organizational reform and build a positive cycle of life insurance business development.
  - A. Strengthen corporate sustainability (CS), continue to work with the government, industry, and academia to promote anti-corruption and anti-drug policies, and protect the physical and mental health of customers/family members.
  - B. Through the "Green Lease Program" and "New Hub Service," the Company plays the role of "Smart Green Owner" to help corporate tenants more efficiently purchase renewable energy, and to implement net zero emissions through intelligent monitoring, to develop new business models, and to drive Taiwan's industry to move towards sustainability.
  - C. The data integration and tracking of carbon emissions of channel marketing services will realize the Group's sustainable net zero commitment.

### 3. Customer service

- (1) Customer satisfaction and thoughtful service experiences
 

Based on the service concept of "customer satisfaction" and the core axis of sustainable operation, the Company plans relevant customer management activities, and promotes innovative services that are unique, thoughtful and healthy to improve customer satisfaction.
- (2) Integrity and Care for Customer Rights

Based on good faith and mutual care, the Company continues to strengthen the capacity of complaints governance, and is committed to solving customer problems in a fair and objective manner. In addition, various anti-money laundering mechanisms and an employee code of conduct are established to strengthen the protection of customer assets against fraud, and strengthen cooperation with the police in the promotion of anti-money laundering to protect customer rights.

(3) Listen to customer opinions and treat them fairly

The Company values the opinions of each customer and incorporates customer feedback into the strategy of fair customer management and service quality improvement, and implements friendly services to implement the core value of “Full staff service and fair customer treatment”.

4. Talent development

- (1) Design customized training programs based on organizational strategies and employee development needs, cultivate cross-disciplinary, professional, and international talent, and improve business functions through team learning, team discussion, and practical exercises. Strengthen digital tool support systems, and guide the quality and balanced development of the business team.
- (2) The Company provides comprehensive training for employees who are reserved and in-service, and encourages them to exert their insurance skills. The Company also hires part-time lecturers to expand their influence internally and externally through MDRT, and plans courses to enhance marketing skills, to help the organization lay a solid foundation of human resources.

5. Internal control

- (1) Enhance a solid legal compliance structure, establish effective risk management measures, focus on information security and implement the internal control and audit system, continue to promote contract quality and strengthen abnormality control, and strengthen compliance with regulations and maintain customers’ rights and interests, thereby establishing a foundation for corporate governance and sustainability.
- (2) Actions will be taken to fine-tune corporate risk management practices and incorporate environmental, social, and governance (ESG) values to enable the risk management process. Apply Emerging Technology such as automation and AI to further improve internal controls, and thereby support effective risk management and business growth.

■ **Cathay United Bank Co., Ltd.**

1. Consumer banking

In order to continue to improve fundamental services to customers by adopting a needs-driven approach. With a comprehensive network of physical and digital channels available at disposal, the Bank is able to introduce integrated financial services and the ultimate one-stop shopping experience for customers of various profiles. The overall market value and volume are backed by rigid demands for self uses and long-term asset allocation while demands in the consumer banking market remain strong. Meanwhile, order will continue to improve the transaction service process and user experience for online loan applications. As of the end of 2024, the balance of personal loan credit had grown steadily compared to 2023.

- (1) The deposit balance at the end of 2024 was NT\$3.7514 trillion, 8% growth compared to 2023, and the NTD demand ratio was 65.4%.
- (2) As of the end of December 2024, the total credit balance of mortgage products (including net worth loans) was NT\$1.3245 trillion, an increase of NT\$195 billion from the end of 2023, with a growth rate of 17%. The balance of the



loan products with small amounts was NT\$153 billion, an increase of NT\$10.9 billion from the end of 2023, with a growth rate of 8%.

## 2. Corporate banking

The Company's corporate banking business continued to grow steadily and lightened the challenges. To provide customers with one-stop services and plan optimal products, the Company strengthened business development efficiency through product potential labeling and management tools, increased customer adhesion, while reducing capital dependence on business, optimizing limit adjustment methods, maintaining the balance of profits and risks. As of December 31, 2024, the balance of corporate finance loans of domestic channels was NT\$715.7 billion.

## 3. Wealth management

The wealth management business of the Bank is based on the core concept of “customer-centric” to fully understand customer needs. Combined with the market analysis and investment strategies of the Bank's research, the Bank offers professional financial consultation and asset allocation plans, and continues to strengthen risk control over customers to protect customer assets and provide the best financial advice. In addition, to optimize the customer experience, the Company will continue to collect customer feedback and analyze the financial needs of each customer through the integrated data of all channels, in order to grasp their investment and product preferences, and promote digital trading and expand personalized digital services, in order to provide more comprehensive all-around financial services. In 2024, the number of wealth management customers grew by 7%, and the total asset size of wealth management customers grew by 13%, indicating that the overall wealth management business will continue to grow steadily.

The Company uses AI algorithms and models to provide professional financial advice to customers, so that more customers can have suitable investment allocation and achieve the benefits of universal finance. The past few years have changed the behavior of customers due to the impact of the epidemic. More and more customers prefer to replace branches and financial advisors with digital means; coupled with the recent fluctuations in the investment market, customers have increased demand for real-time monitoring of their own investment portfolios, and smart investment can obtain real-time monitoring and reminders. In order to serve a broader customer base, the smart investment team will continue to optimize the online trading process and combine the products and expertise of other subsidiaries of the Group to develop more diversified investment products, so that a broader customer base can enjoy professional investment and financial advisory services through digital means.

## 4. Trust

The AUM of real estate trusts totaled NT\$94 billion while the AUM of personal and corporate trusts amounted to NT\$106.7 billion. The total assets under custody amounted to NT\$1,531.4 billion, increasing by 1.08%, 11.73% and 29.43%, respectively, in comparison to those of 2023.

## 5. Foreign currency service

(1) With the recent uncertainties in the international economy, the Bank is committed to continue growing steadily in the foreign exchange business. The Bank will also deepen its relationship with customers by analyzing customer attributes, and create win-win solutions for both parties.

(2) The balance of foreign currency deposits in 2024 was US\$25 billion, of which foreign exchange demand deposits grew by 4% compared to 2023. The trade financing assets of the Bank amounted to US\$1.41 billion, growing by 7% compared to 2023. As the global economy entered a phase of interest rate cuts,

demand rebounded. The AI application trend continued. Domestic semiconductor manufacturers accelerated the expansion of advanced processes and high-rank assembly capacity, so that Taiwan's export growth momentum was strong. The export volume was US\$8.1 billion, an increase of about 14% from 2023.

#### 6. Credit card

- (1) As of the end of December 2024, the number of outstanding cards was 7.48 million, the number of valid cards was 4.98 million, and the total amount of the accounts signed was NT\$765.7 billion, an increase of 12% from the same period last year.
- (2) The Company will continue to cultivate strategic partners and expand the scope of cooperation to satisfy the diverse needs of users. In September 2024, the Company re-listed its Shopee shopping co-branded credit card. The Company upgraded its rights and privileges based on the analysis of customer consumption preferences and also offered exclusive discounts and promotions to screen customers for membership. The number of cards issued was nearly four times the number before the re-listing. Meanwhile, the Company strengthened the exposure of its younger generation of customers' account opening and application for Debit cards, and promoted joint-brand promotions and resources to obtain different customer groups.
- (3) The Bank will continue to build a strong relationship with customers, and will increase the adhesion of the platform through the brand ecological circle co-venture strategy to create a comprehensive digital financial service. At the same time, the Bank will continue to utilize the theme equity and stock options in the CUBE App to utilize digital marketing flexibly, and will combine close cooperation with large-scale distribution channels to provide customers with daily consumption scenarios, improve the experience of using cards and digital services, and improve the adhesion of cards to drive the steady growth of the entire account opening.
- (4) Due to the impact of policies, the interest rate increase trend has not eased. The market interest rate is still maintained at a higher level, resulting in an increase in the cost of credit card capital. Therefore, the Bank is committed to managing a high customer base, improving customer value and creating revenue. For high contribution customers, the Company adopts a data model to learn about their characteristics and preferences, and to conduct segment marketing and increase product penetration. The Company also optimizes its digital platform to deliver the best user experience, improve customer loyalty, and drive overall revenue growth.

#### 7. Financial payment business

- (1) The Bank's special store order collection service: The Bank's diversified payment tender for the Taichung MRT was launched in April 2024, giving the public the ability to pay for their trip purchases, whether by using a credit card or Apple Pay, using the phone. This is the second time the Bank has provided a transportation cash flow service after the previous Taoyuan MRT service provision.
- (2) Emerging payment service: The Bank makes use of the CUBE platform to manage its strategic vendors by introducing the CUBE card discount and "Pay" scheme in 2024. Through the CUBE+LINE Pay service to expand its non-cash payment services to increase the number of transactions in the LINE Pay link credit card service by more than two times before the scheme. The Bank also consolidates Apple Pay operations, which has increased the number of users by 42%; the number of transactions grew by 67% year-on-year. The Bank's growth rate is higher than the industry average, and it has achieved the customer adhesion and value management goals.

(3)Automation channel: Optimize customer experience, focus on customer functions, improve system service stability and resilience, and create a simple and fast ATM user experience; continue to improve the quality of rural and friendly financial facilities, and expand quality distribution channels such as Hi-Life, PX Mart, FamilyMart, Taipei Metro, to guide digital services and provide customers with a convenient financial life field. A total of 17 million transactions were completed using ATM in 2024; the Bank had over 5,300 ATMs deployed nationwide, representing a 15% market share and ranking 2nd in the industry.

#### 8. Digital banking services

The CUBE App has been the main entry for digital users of Cathay. The number of users has exceeded 6.3 million which has grown by 2.7 times within five years, and the active user accounts has grown 3 times. The personalized management service of the scale has continued to make the CUBE App and the Internet banking platform the starting point for various financial services of Cathay. The services provided are all digital. The number of users who use the CUBE App and Internet banking platform has reached 43 million every month, and overall digital revenue growth has grown by 2.9 times within five years.

The “Cube App” and the Internet banking platform are now being expanded to provide personalized asset integration services. The “Insurance” section integrates the personal insurance policies of the Cathay Group and related information. It is the first to launch the “account management calendar” function in Taiwan to compile information on all payables for all bank products, which brings convenience to users. The digital experience is also enhanced by extending the online currency conversion time to 2:00 a.m. and launching the “Foreign Currency Account Setting for Transfer” function through a video conferencing service, which provides users with a more convenient digital experience. Digital security is enhanced by two-step login, health check, card security, SMS, and security guards.

#### 9. Overseas operations

The Bank will continue to cultivate markets of Greater China and Southeast Asia aiming to build a more comprehensive financial service/product portfolio and network.

(1)In terms of corporate finance, with our knowledge of global supply chain deployment trends, the Bank will effectively integrate the local cross-border service professional teams of Taiwan's corporate finance team, the Greater China region, and Southeast Asia, and strengthen the cross-border Taiwanese businesses' integrated financial services, and accelerate the expansion of the cross-border Taiwanese business customer base. For local companies, the Bank will target the target industries and assist in strengthening operational resilience and sustainable development through diversified services such as syndicated loans, sustainable syndicated loans, and green deposits.

(2)The Bank will actively develop sustainable financial products and services to drive the industry's sustainable transformation: The subsidiary bank in China launched a carbon neutralizer and bond index structured deposit in 2024; the Hong Kong Branch has been awarded the “Hong Kong Green and Sustainable Finance” Award for three consecutive years; the Manila Branch has successfully undertaken several sustainable syndicated loans in the Philippines.

(3)The Bank will strengthen the role of the asset management region center in Hong Kong and Singapore, and serve the needs of high net worth customers in the Greater China and Southeast Asia regions with a dedicated team of investment portfolios. The asset management scale will grow by twofold.

(4) With the Group's digital resilience, the Bank will continue to optimize and innovate its corporate banking and consumer banking digital services and platforms to enhance customers' digital experience. The Bank is actively upgrading the functions and interface of its overseas corporate e-banking platform. The Bank launched online bargaining, exchange, and wire fund transfer services in Singapore, Hong Kong, and Vietnam. The Bank also launched the bank-enterprise direct connection service in China. In the digital consumer banking field, the Bank became the first to launch a revolving line of digital credit products in Vietnam, creating a new local credit line. On the other hand, the Bank continued to optimize the "CUBC mBanking App" in Cambodia, and in 2024, the Bank was awarded the "Asia Best Digital Consumer Bank (Cambodia)" by Global Finance Magazine.

#### 10. Treasury service

In the second half of 2024, the interest rate cuts initiated by European countries and the U.S. stimulated consumption and investment, and drove the global financial market. The exports and investment in Taiwan are all beneficial, domestic demand is stable, and the overall economy grows steadily. In 2024, the financial marketing department's derivative commodity spread income increased by 73% compared to the previous year, and bond sales income also increased by 128%.

### ■ Cathay Century Insurance Co., Ltd.

#### 1. Business policy

- (1) The Company will focus on promoting key insurance products and promoting group insurance marketing to strengthen performance. The Company will also review the product coverage dynamically and continue to provide insurance products that meet customer needs in order to provide comprehensive protection to customers and increase business growth momentum.
- (2) Pay attention to customer needs and optimize the digital platform to improve the customer service experience; enhance customer interaction and explore business opportunities by creating service scenarios.
- (3) Enhance control over business quality, review the overview of products and channels regularly, implement business screening, and introduce quality products to improve overall competitiveness and profitability.
- (4) Build a strong foundation of business by cultivating the distribution network of insurance, finance, and agency, and increase the frequency of interaction and prospective business opportunities in forward-looking industries.

#### 2. Risk management and financial investment policy

- (1) Strengthen the ability to strengthen risk management, assess the vertical and horizontal depth of the evaluation mechanism, and strengthen the evaluation perspective. Use digital tools to assist the risk management process and strengthen various risk monitoring functions.
- (2) Stress on insurance capital supervision by implementing risk-based capital management and maintaining a sound financial structure in order to maintain good solvency in line with international systems.
- (3) The Company upholds a value-oriented approach, performs professional duties, and seeks reasonable risk consideration based on business quality, underwriting conditions, and loss rate.

#### 3. Insurance service policy

- (1) The Company will optimize the service content and process based on the substantive feedback of customers, and improve the overall service performance and satisfaction by introducing digital technology.

- (2)The Company upholds the core function of “Damage Prevention” and implements various damage prevention services. It continues to promote the concept of “prevention” to implement the vision of “all-age damage prevention”.
  - (3)The Group upholds the corporate sustainability core concept, continues to expand the concept and practice of sustainability, and fulfills its commitment to carbon reduction and renewable energy use ratio each year. It is committed to promoting sustainability.
4. International operations policy
- (1)The Company will actively track policy developments, review the business strategy of the Vietnam market, and optimize operation performance with digital tools, in order to improve overall competitiveness and profitability, and strive to break through the competition in the property insurance market of Vietnam.
  - (2)Cooperate with Ant Group for entry into the Mainland insurance market, and jointly expand online insurance service in the Mainland.
  - (3)Strengthen the operation of the international insurance business branch, and continue to cultivate and recruit international specialists, to promote the internationalization of local talent and the localization of outstanding international talent.

#### ■ Cathay Securities Corporation

1. Expand brokerage services upon our digital business model to generate internal synergies, enhance customer experience, and improve customer loyalty.
2. Include the securities-related businesses, such as futures and sub-brokerage, into the scope of digital service and endeavor to build seamless customer service.
3. Gain precise insight of customers’ demands through customer data analysis and provide customized and matching products and professional service.
4. Expand securities lending, borrowing and lending of funds for unrestricted purposes, and discretionary investment opportunities by accurately predict market trends.
5. Enhance investment performance by offering a complete roadmap of structured products, prudent issuance of warrants, and the optimization of trading strategies.
6. Elevate the visibility of the underwriting team in order to attract more high-profile deals. Leveraging the relationship established by the underwriting team, financial advisory team can provide additional financial advices to assist companies in their operation.
7. Implement compliance, principle for financial service industries to treat clients fairly, and strengthen the risk management mechanism.
8. Incorporate inclusive finance into the company’s primary business as a means to implement sustainability and provide sustainable investment service allowing investors to review its own sustainability influence.

#### ■ Cathay Securities Investment Trust Co., Ltd.

1. Aim to maintain a lead over investment trust peers in terms of total assets under management, and strive to improve the scale of mutual funds and ETF management, to expand into the offshore market and become the best asset management provider in Taiwan and the Asia Pacific region.
2. Improve the performance of mutual fund, ETF, discretionary investment and private equity fund under management, as well as the size thereof.
3. Develop forward-looking diversified fund products, develop financial technology applications and services, promote the electronic payment fund wealth

management platform, and provide investors with more convenient investment tools.

4. Integrate the group's global asset management resources, and strive to cultivate top-notch financial professionals, establish diversified sales channels, and expand service on an international scale.
5. Continue to develop and refine retirement products to convey the wealth management concept and realize the concept of universal finance, and improve customer satisfaction in all distribution channels.

■ **Cathay Venture Inc.**

1. Stay ahead of the trend and lead the investment portfolio
2. Improve risk management and achieve investment performance
3. Recruit cross-industry talent and join external partnership opportunities
4. Continue to expand the Southeast Asian market

**(III) Industry Overview**

US inflation continued to slow in 2024, which prompted the Fed to initiate an interest rate cut cycle in September. With the strong investment topics of AI, and the resilience of private spending, the economy and the financial market performed well throughout the year. At the end of the year, the U.S. election came to an end, and Trump returned to the White House. With the Republicans taking control of the U.S. House and Senate, the issues of tax reduction, loosened supervision, tariffs, and tightening immigration policies will become the focus of the future market. Looking ahead to 2025, though the extension of individual tax cuts in the U.S., further tax cuts by enterprises, and the relaxation of supervision are favorable to economic prospects, the threat of tariff cuts and the tightening of immigration policies will not be favorable to economic performance; inflation will again face the risk of rising, which may cause the Fed to slow down interest rate cuts. The uncertainty of the timing and intensity of the implementation of related policies will affect the annual trend of the economy and the financial market, and cause fluctuations.

In other regions, the economy in the Euro Zone recovered slightly in 2024, mainly due to a decline in energy price pressure and the recovery of net foreign demand. Looking ahead to 2025, inflation will continue to slow, the ECB will reduce interest rates, and the pressure of inventory reduction will be eased, which is favorable to economic prospects. However, Trump 2.0 policies will restrict the growth momentum, offset the bull and bear positions, and the overall economy will only recover moderately. At the end of Q3 2024, China showed a strong expansionary policy, pushing the annual GDP growth rate up to 5%. In 2025, the company will continue to monitor the impact of tariffs in the US-China trade war, and the implementation of the government's stimulus policy. There is still a risk of downward economic growth. In Taiwan, with exports and investment driven by AI demand, and steady domestic demand consumption, economic performance in 2024 was strong. Looking ahead to 2025, the AI development trend is still favorable for investment recovery, but external demand is facing the risk of trade war, and economic growth will slow compared to last year. Review and outlook of the domestic life insurance and banking industries are presented as follows:

In terms of the business environment of the life insurance industry, the entire industry has made significant progress in digital transformation and innovative product development in 2024. Cathay Life Insurance continued to strengthen its profitability, with total premiums reaching NT\$487.57 billion. Looking ahead to 2025, the life insurance industry will face the challenges of an aging society and increasing health needs. Cathay Life will continue to focus on product innovation and digital services, launch more high-age and health protection products, and strengthen digital platforms to

enhance customer experience, achieve “tailored” marketing services, and continue to promote corporate sustainable development.

As global major economies have eased down in terms of inflationary pressure, the banking industry has gradually entered an interest rate cut cycle. Some countries have begun moderate recovery, but international geopolitical conflicts continue, and the frequency of extreme climate disasters has increased, raising uncertainty in the market, and increasing the challenges of asset and risk management for banks. In response to changes in the domestic and overseas market, Cathay United Bank will continue to utilize digital and data tools to strengthen its business and customer experience, and explore new technologies such as artificial intelligence to ensure that the Bank can keep up with market trends and seize opportunities for transformation. Looking ahead, the Bank will be facing the following factors: intense geopolitical conflicts, changes in major nations, and climate change. It is anticipated that these factors will affect global trade developments and market fluctuations, which are major challenges for the bank.

#### (IV) Research and Development

##### ■ Cathay Life Insurance Co., Ltd.

##### 1. Research and development spending in the last two years and in the future

(1) The budgets on research and development in the last two years and in the future are shown in the table below:

Unit: NT\$ thousand

Year	2025 (Estimate)	2024	2023
Amount	562,578	526,525	361,641
Growth rate (%)	6.8%	45.6%	6.7%

##### (2) Results of research and development:

##### A. Product innovation:

With respect to the social development trend and market demand, take initiative in the development of innovative products:

- a. Cancer is the first of the top ten causes of death in the Taiwan. As the treatment methods for cancer are becoming more and more varied, the cost of post-cancer treatment is increasing. The Company's “Kang Ai Precision Cancer Prevention Term Health Insurance (Spill-Over)” and “Mei Li Kang Ai Interest Sensitive USD-denominated Whole Life Insurance (Periodic Payments)(Spill-Over)”, can make timely compensation for many Non-NHI cancer treatment fees. The Company is the first in the industry to include Boron Neutron Capture Therapy (BNCT) helping patients to fight cancer with precision cancer medicine.
- b. Among the top 10 causes of death for Taiwanese people, heart disease is the second most common; there are three diseases related to the heart. For older customers with a high risk of specific injuries or diseases related to cerebrovascular disease, the Company has launched the “Le Zhong Xin Specified Illness Term Health Insurance (Spill-Over)” to provide these customers with living subsidies guarantees for up to ten times for a single policy, and to supplement the team of products for older adults. For the needs of general customers, the Company has launched the “Mei Li Gan Xin Interest Sensitive USD-denominated Whole Life Insurance (Periodic Payments)” to provide customers with death benefits at a high multiple of premium, and additional specific injuries or diseases protection for cardiovascular disease and liver disease, in order to provide a more comprehensive life protection network for customers.
- c. In response to the aging society and rising awareness of health and

sustainability, the company has launched a new “Monthly Excess (Foreign Currency) Life Insurance,” which is the first insurance product that combines health insurance with a foreign currency life insurance policy. The product not only covers the needs of self-use and asset inheritance, but also uses a proprietary sustainable guidance mechanism to invest in the ESG Fund, which is a digital service that helps save energy and carbon and reduces expenses. The goal is to improve wealth and health and create a sustainable positive cycle.

- B. Customer management: The Company precisely targets customer groups and markets the ecological system, develops diversified channels to reach target customers, and continues to optimize the marketing model, deploy various application scenarios, provide a personalized insurance experience to customers, and strengthen unit integration to create a positive cycle of management, education and marketing.
- C. Digital development: Strengthening the Company's digital capabilities and customer experience have been the focus of Cathay Life Insurance in recent years. In 2023, the Company launched “One Pass” in cooperation with Cathay United Bank to accumulate insurance coverage for consumer purchases, and link consumer's financial scenarios to insurance, to encourage new insurance customers to take the first step. The Company is also actively exploring more possibilities of the financial ecosystem, and is looking for breakthroughs in mobile payment laws. In 2024, the Company will be introducing Open Money wallet in cooperation with Cathay United Bank and President Chain Store Corporation, thereby giving customers more convenient digital payment methods.

In 2024, Cathay Life will be optimizing the experience of customers with an online insurance application and the Cathay Life App. The online insurance application will overcome the complex and difficult insurance process to build a simple, clear and safe service experience to satisfy the needs of digital customers who want to compare and understand insurance products. The scenario will also guide customers to choose the product that is best for them. The 3.0 revision of the Cathay Life App not only optimizes the user interface, but also satisfies the needs of customers for one-stop management of insurance policies, easy access to information and other things.

## 2. Research and development plan in the future

### (1)Product innovation:

The mission of an insurance company is to provide customers with a healthy lifestyle and a full retirement. In 2025, the company will continue to focus on “protection and friendliness for older adults” and satisfy customers' four major needs through “customer base x product x service” to continue to develop new products:

- A. Medical protection: Strengthen market segmentation. In addition to the general public, develop customized products for specific customer groups, and develop innovative products (such as new products for protecting mental diseases).
- B. Older life: For the rapidly-growing population of older adults, the Company has built an optimal pension flow with its comprehensive income transformation and investment product portfolio, and optimized the needs of exclusive products for this group. For the management of older adults with high-end needs, the Company has added their preferred elements, and also considered the inheritance of assets and the self-use of insurance.
- C. Asset security: Strengthen the asset allocation ratio and the types of trust service such as installment payment to enhance asset inheritance. In addition,



expand the types of A&H payment or diversified payment in the comprehensive insurance to increase the demand for self-use of insurance and satisfy the needs of customers.

D. Good health: Take initiatives to encourage ongoing health promotion for the general public; the health promotion incentive program “FitBack” provides abundant rewards for health promotion and continuous strengthening of business interactions. In addition, the Company has incorporated a comprehensive spill-over mechanism for health insurance products to expand product influence.

(2) Customer management: The Company aims to achieve three-win solutions between the Company, the channel and the customer, and develop marketing channels with precise targeting of products and services to customers. The customer-centric approach is adopted to provide customers with a complete customer journey. Unit transition applications are implemented to optimize business performance and meet customer needs. The customer group management model is optimized continuously.

(3) Digital development:

A. Optimization of experience and service: Cathay Life continues to build an ecological circle of finance and travel, and work with partners from different industries to provide customers with one-stop shopping services in the daily consumer environment. Meanwhile, the Company continues to strive for online insurance related regulatory breakthroughs and meet more needs of digital groups with technological assistance. The core goal of the “App” will be “tailored” to provide a smarter, more personalized, and safer digital insurance experience. The App 3.0 will be revised continuously. In the future, the AI application will be used to innovate services to assist with account management and policy protection, improve the after-sales experience of insurance, provide digital account information security, and refine digital membership to provide a personalized service experience to improve adhesion and create value. In addition to continuously improving after-sales service, the company also integrates health promotion and Tree Life program, and provides more comprehensive services to customers.

B. In response to the digital trend in the industry, as digital insurance companies are allowed to offer new products and services, Cathay Life Insurance has continued to explore new products and service models, and to learn more about customer needs through digital services. The goal is to provide a comprehensive insurance experience through online and offline channels, and to expand the opportunities for potential customers through group resources and strategic alliances with other industries, so as to lay out a new insurance market.

■ **Cathay United Bank Co., Ltd.**

1. Research and development spending in the last two years and the results

(1) The budgets on research and development in the last two years are shown in the table below:

Unit: NT\$ thousand

Year	2025 (Estimate)	2024	2023
Amount	1,253,296	758,101	790,789
Growth rate (%)	65.32%	-4.13%	12.27%

(2) Research and development outcomes completed in 2024:

Unit: NT\$ thousand

Name of major project	Costs invested
Bank's core modernization consulting project	25,920
Information infrastructure modernization consulting project	22,475
Corporate banking CRM establishment project	13,716
Establishment of the 3rd Information Center	10,068

2. Research and development plan in the future

Plan/project in the most recent year	Progress	Additional budget required (NT\$ thousand)	Estimated time of completion	Factors critical to the success of research and development
Bank's core modernization consulting project	Planning in progress	3,896,000	2030/09	Effective communication with the departments in need
Electricity infrastructure improvement of Neihu Information Center	In progress (Completed 10%)	180,147	2025/12	Information infrastructure integration and optimization

■ **Cathay Century Insurance Co., Ltd.**

1. Research and development spending in the last two years and the results

(1) Research and development spending in the last two years:

Unit: NT\$ thousand

Year	2025 (Estimate)	2024	2023
Amount	3,668	3,089	2,882
Growth rate (%)	18.74%	7.20%	14.32%

(2) Research and development and results thereof in the last two years:

A. Digital Dimension:

Through the deployment of the Big Data Engineering Department, the Company improves the quality of data and maximizes value. The Company also grasps market trends through forward-looking technology, and transfers technology for the development of insurance technology, bringing more business opportunities and competitiveness to the Company.

**B. Damage prevention aspect:**

Cathay Century Insurance is committed to risk control and damage prevention. With a professional team and database analysis, we precisely grasp the risks of different groups. To address this rising awareness, Cathay Century Insurance has been organizing accident prevention and disaster prevention activities to help customers with their insurance needs, and raise their awareness towards the importance of risk management.

**C. Product planning:**

With the engine of technology, the Company re-writes the value chain of property insurance, precisely grasps the needs of consumers through data analysis and intelligent systems, develops personalized insurance products, improves market competitiveness, and actively develops new types of insurance business models. At the same time, in line with current affairs, the Company is able to launch diversified products and packaging designs to satisfy the needs of consumers, such as, 6-in-1 automobile insurance, 2-in-1 motorcycle insurance, household protection umbrella, and employer protection insurance, to great success, and satisfy the needs of the public.

**D. Credit ratings and awards:**

The robust financial structure of Cathay Century Insurance has been awarded with the excellent credit ratings of “twAA+” from Taiwan Ratings, “A-” from S&P, “A2” from Moody’s and “A” excellence evaluation level from AM Best. The Company has also won the "Top 25% of the Firms" of the Financial Supervisory Commission, "Top 25% of the Insurers" of the Insurance Bureau, "Report Award Silver Award" of the TCSA, "Four Excellencies of the Insurance Quality Award" and "Insurance Dragon Phoenix Award".

**2. Research and development plan in the future**

- (1) The company will be promoting the cloud transformation of the data service of property insurance, gradually transitioning from the full range of services currently available to cloud integration. It is expected that cloud technology will accelerate the deployment of new data services, and increase the efficiency and flexibility of business development. Meanwhile, the stability and availability of data services are enhanced through automation, substitution, and updates.
- (2) From the actual application scenarios, the Company will gradually improve the data infrastructure, and with the assistance of financial technology, the Company will transform the value chain of insurance, so as to make insurance simpler and more accessible to the people, and optimize the customer experience.

**■ Cathay Securities Corporation**

**1. Research and development spending in the last two years and the results**

**(1) Research and development spending in the last two years:**

Unit: NT\$ thousand

Year	2025 (Estimate)	2024	2023
Amount	57,721	39,495	36,497
Growth rate (%)	46%	8%	17%

**(2) Results of research and development in the last two years:**

- A. Complete the platform optimization, such as intraday odd lot trading and automated overweight/underweight mechanism for fixed-term, fixed amount investments.
- B. Improve the account opening process for customers, such as the opening of a future trading account.
- C. Implement sustainable finance and fair treatment services, such as ESG sustainability section and website, and transaction reminder for elder customers.
- D. Online smart subscription of ETF IPO

2. Research and development plan in the future

- (1) Improve the online securities account opening process and service
- (2) Improve trading and order placement services
- (3) Optimize the position display
- (4) Optimize the user-interface and services of official website
- (5) Improve the smart customer service function

■ Cathay Securities Investment Trust Co., Ltd.

1. Research and development spending in the last two years and the results

- (1) Research and development spending in the last two years:

Unit: NT\$ thousand

Year	2025 (Estimate)	2024	2023
Amount	38,673	33,674	28,854
Growth rate (%)	14.8%	16.7%	16%

- (2) Results of research and development:

- A. Research the application of large language models, and optimize the model tools of the investment data site.
- B. The Company's accounting management system will be converted to support the development of new funds and discretionary services.
- C. Introduce digital tools to upgrade the workflow and improve internal productivity.
- D. Establish a cold backup mechanism to strengthen operational continuity and information security.
- E. The Cathay Securities Investment Trust App was launched to provide more convenient digital services.

2. Research and development plan in the future

Plan in the most recent year	Progress	Additional budget required (NT\$ thousand)	Estimated time of completion	Plan description
AI stock selection and forecast models	In progress	1,861	2025/12	Optimize the analysis and research of the data of investment research, and verify the small-scale concept investment portfolio model and hedging strategy.
AI tool application	In progress	500	2025/12	Certification of feasibility of the development of auxiliary applications.

Introduction of digital tools and automated process	In progress	2,748	2025/12	Introduce electronic signatures, automated procedures, and peripheral system integration to improve operating efficiency.
The functions of the accounting management system and investment management system are added.	In progress	11,761	2025/12	The goal is to develop an Asset Management Center and to amend the functions.
Data middle office	In progress	5,750	2025/12	Develop the framework in the middle office to respond to and satisfy different use scenarios quickly.
Cathay Securities Investment Trust App	In progress	9,500	2025/12	Upgrade the digital platform with personalized instant push and consultation services.
Cybersecurity Roadmap	In progress	6,553	2025/12	Strengthen information security governance and control.

## (V) Long and Short-term business development plan

### ■ Cathay Life Insurance Co., Ltd.

#### 1. Short-term business development plan

The rapidly-changing insurance business environment currently still faces a number of challenges including aligning with accounting standards, changes to supervision policies, insurance technology development and a shift in demographics, for which a short-term plan is required:

- (1) Revitalize big data analysis and AI technology, re-write the insurance service landscape, and solidify the governance of big data, strengthen pre-need management, and stabilize and improve corporate quality.
- (2) Align with international regulations (e.g. IFRS 17, ICS 2.0), adjust product structure, optimize asset allocation, refine ALM capital management, and take into account the Company's profitability while maintaining sound financial stability.
- (3) Maintain business flexibility by developing novel business models through agility, integrate talent from various fields, and allow flexible work models to rapidly accommodate drastic environment changes.
- (4) Make good use of the Group's resources, strengthen integrated marketing operations, become all-round financial elites promoting health services and specialized knowledge certifications, and build a high-value team.
- (5) Continue to promote the lean organization and improve the capacity of each grade through the system, strengthen the interests of employees, create a

suitable development environment, and formulate incubation plans for each job grade to enrich overall strength.

- (6) Uphold value-oriented management, provide innovative and diverse products to address customer health protection and customer demands for financial protection and retirement wealth management, implementing the essence of insurance.
- (7) Digital tools are used to integrate business resources, optimize administrative and marketing efficiency, cover service information sharing, demand analysis, insurance application procedures and policy services, and comprehensively improve customer experience.
- (8) Combine the core competency of an insurance company, the Group's major sustainability focuses on climate/health/empowerment and domestic and international trends and initiatives to develop the company's corporate sustainability policy and action plan and continue observing the Principles for Sustainable Insurance (PSI) in alignment with the Group's RE100 and SBT carbon reduction goals.

## 2. Long-term business development plan

Taiwan will soon face the four big challenges of pandemic, technology, aging society and climate change. In order to protect the insured against physical health risk (extended unhealthy life), mental health risk (loneliness) and financial risk (lack of financial support from children), Cathay Life announced its "E.P.S." strategy in response to social responsibility aiming to create corporate profits, expand sales opportunities and customer services, and fulfill our commitments to policyholders exerting the social core value for a secure society.

- (1) Starting from customer needs, we will continue to deepen the concept of customer protection and help customers build a protection net for senior life with "services x products".
- (2) Continue to strengthen the promotion of protection-type products to fill the medical protection gap, draw up a health strategy blueprint, strengthen the connection between products and health promotion, and realize the health vision of customers of all ages, and improve their healthy life expectancy.
- (3) Align with the Group's sustainable development blueprint, launch the dual-track strategy of zero-carbon operation transformation and low-carbon investment allocation, and promote green finance to practice climate protection.
- (4) Based on the existing platform, the Company will link the external industries and resources of the Group to customers' daily life scenarios, deploy in the potential industries of high age and health, and deepen the establishment of a comprehensive health service ecosystem.
- (5) The Company will establish a Data Driven mindset, create data and AI talents, use big data analysis and AI technology capabilities, optimize or re-write decision-making models and operating processes to improve customer satisfaction, company risk control and profitability.

## ■ Cathay United Bank Co., Ltd.

### 1. Short-term business development plan

- (1) Consumer finance:
  - A. Optimize the mortgage and personal loan end-to-end assessment process to support efficient services and digitalization.
  - B. Apply big data analysis to identify target customers and trends for precision marketing.
  - C. Continue coordinating joint marketing efforts between group subsidiaries and expand customer base. Utilize the cash flow network to provide

integrated financial products and services and optimize synergy.

- D. Aim to expand customer base and revenue contribution particularly from high net worth individuals; introduce integrated solutions aimed at enhancing product attachment.
- E. Optimize service interface customer experience for enhanced relationship and performance.
- F. Continue to promote the value-oriented management principle with Cathay Life, return to the essence of insurance, and enhance the promotion of the protection-oriented products, in order to improve the awareness of insurance of the general public. Develop new forms of insurance products according to the needs of different bank customer groups and market trends, in order to satisfy diverse customer demands.

(2) Corporate finance:

Complete the basic infrastructure construction based on the principle of sustainable management and via the methods of talent planning and digitalization of sales management. Furthermore, make use of collaterals such as SME credit guarantee and financial assets with risk mitigation effects for effective use of capital ensuring to replace the weak parts and retain the strong ones under the premise of good asset quality. Moreover, integrate the data resources of the Bank and initiate high frequency of interaction for extended cross-selling opportunities, utilize tools to identify potential customer business opportunities and elevate the product penetration rate. The objective is to sustain business momentum for stable growth and optimize the revenue structure.

(3) Trust:

Develop employee shareholding trust in line with upcoming deregulations and policy incentives; cooperate with Cathay Life on the promotion of insurance trust in order to assist the general public's planning of retirement life and to guarantee the property security.

(4) Credit card:

A. The "One Card" policy of CUBE Credit Card continues. Each equity plan is equivalent to one card and is being operated with the brand identity. Based on the customer's preference, the Bank has expanded the six major equity plans to satisfy the exclusive "1" of each cardholder's consumption pattern. Combined with the CUBE App, the Bank can also switch to the additional equity plan, i.e. the "N" of the personal exclusive "1" to gradually develop the new habit of "1 + N" for cardholders. In order to continue to create market volume and consumer momentum, the Bank will explore the gap in core equity to concentrate consumption through the breadth and accuracy of core equity. The Bank will also establish rules for the listing and delisting of equity to maintain product health. Develop a personalized equity grading system to transfer the power of consumption of low-income and high-income customers.

B. In the future, the Bank is committed to managing high-end customers. In terms of the design of high-end cards such as World Card, the Bank will focus on personalized credit card products and high-quality services to respond to the expectations of rich customers for a perfect life, and plan exclusive and unique experience events to satisfy the pursuit of new things by rich customers, and build a unique brand experience. The Bank will continue to work with its partners to engage resources in customer management. The Bank will also continue to monitor customer preferences and needs through data analysis, provide exclusive gifts and discounts for customers through joint channels, and continue to deepen its relationship with partners.

C.Continue to utilize the CUBE equity platform to actively expand the relationship with diversified channel partners and jointly create innovative marketing models. The Bank will continue to explore new opportunities in the form of digital services, and aim to deliver the best personalized financial experience to existing customers.

D.The Bank continues to strengthen the cooperation with customers, link strategic partners with bank resources, and work together to value customers, create differentiated services, increase customer adhesion, and thereby enhance the operating efficiency of the bank.

(5) Financial payment business:

A.Special store order collection service: The Bank has refined its digital service mechanism to improve the service experience of its special stores and continue to optimize the operating efficiency of the Bank.

B.Automated channels: Enhance the stability and resilience of system services, and create a fast and convenient ATM user experience to provide customers with more comprehensive and convenient digital financial services.

(6) Digital banking:

Continue to strengthen online and offline service integration, and provide high personalization flexibility for user experience from the customer's perspective, in order to enhance the business relationship with the customer.

(7) International Finance:

A.Strengthen customer management, continue to improve the cross-border platform and products of the network in the Greater China and Southeast Asia regions, cultivate and develop cross-border enterprises; lock on the local target industries, develop characteristic products and services, and deepen and expand the niche customer base.

B.Through the introduction of new technologies, the Bank will strengthen cooperation with strategic partners, optimize and add new products and services, such as cash management services, trade financing, project financing, financial marketing, green finance, digital finance, and wealth management, to increase sources of income.

C.Enhance regional financial talent cultivation to support the development of corporate banking, private banking, and consumer banking businesses.

D.The Bank will actively leverage its digital power by focusing on multi-cloud, hybrid cloud, and data development, expanding the financial application scenarios, improving digital and data value, and establishing brand identification.

E.Strengthen financial position through ongoing balance sheet optimization and risk management, and implement internal control mechanism while maintaining proper balance between risk and profitability.

(8) Investments and financial products:

A.An online trading platform was created to reduce manual operations.

B.Refining product development and marketing strategies, diversifying business development to meet the needs of customers.

C.Continue to improve and optimize business process, in order to improve business operation efficiency and reduce operating cost.

2. Long-term business development plan

(1) Consumer finance:

A.Adhere to a customer-centric business approach and offer diverse financial services to accommodate customers' distinctive characteristics. Actively develop digital cash flow service, and optimize personal loan service experience on the digital channel for increased account utilization, thereby



allowing the Bank's financial service to be integrated with the daily lives and operation scenarios of customers in order to become the primary bank for customers.

- B. Utilize group resources and integrate marketing manpower, sales channels and product lines for the best synergy in business development.
- C. Adopt the optimal asset/liability structure for improved capital efficiency and profitability.
- D. Link the three major aspects of customer groups, products, and channels on the basis of customer-centric approach to identify customers' individual needs using data, and provide comprehensive financial consulting services based on needs, creating personalized wealth management solutions. At the same time, synchronize various information online and offline service scenarios and improve the consistent experience for each customer.
- E. Take initiative in growing wealth management relationship with the high asset customer group, enhance customer business operation, offer a diverse range of customized products and services and strive to offer robust asset allocation plans to satisfy the investment, financing and inheritance needs of the high asset customer group, thereby creating valued services and strengthen the competitiveness.
- F. Based on the consideration of risk control and customer experience, design new financial management transaction process, and continue to strengthen the internal process and risk control.

(2) Corporate finance:

Adhere to the corporate sustainability strategy and provide green finance services by enforcing ESG; enhance operating synergy through hardware/software implementation, application of diverse scenarios, process optimization, and strengthening of sales channels; adopt a flattened and lightened management structure to achieve medium- and long-term goals of the corporate banking segment.

(3) Trust:

Respond to social trends, and continue to establish a comprehensive trust platform, in order to satisfy various demands of the general public.

(4) Credit card:

- A. The Bank will review strategic customers from different perspectives, continue to deepen its operations, keep track of market trends and customer demands, explore potential strategic customers, satisfy the needs of different customer groups, and seize business cooperation and data sharing opportunities to make adjustments to its business strategy and establish innovative business cooperation models. The goal is to improve the value of cooperation with customers and maintain the Bank's advantage in the competitive market.
- B. The Bank will continue to focus on the management of CUBE cards, to precisely segment customers and to cultivate customers with refined product rights and interests, in order to respond to market trends, and to introduce more discounts and services that are closer to customer consumption needs. The Bank integrates different digital tools to provide a highly personalized financial environment. The Group's management of Cathay Group Tree Points allows users to earn reward points via a number of credit card benefits. The earned reward points can be used at the Cathay Discount, TreeBuy, and cross-industry partnering channels; in addition, the discount can be applied to designated digital channels for every purchase, not limited to merchants domestically or overseas. This will increase customer willingness and the scale of points accumulation. This is the reason that the Bank is able to win

the trust of business partners and create positive growth for the Group's financial services. In the future, the Bank is more committed to planning more Tree Points applications, improving customer experience in all aspects, and creating a perfect ecological system that spans across the Group.

(5) Financial payment business:

- A. Special store order collection service: The Bank stays in tune with emerging patterns, policies, and market dynamics, and offers different financial services flexibly to expand the market scale.
- B. Automated channels: Develop a robust financial service ecosystem featuring an innovative business model, and create the best service platform with the combination of internal and external resources to continue the spirit of the CUBE brand value.

(6) Digital banking:

Digital empowerment drives the continuous growth of the CUBE brand. The innovative spirit of the CUBE is practiced in more cross-product connections and experiential design to create an independent and diversified personal financial experience becoming a one-stop shop for financial products and as a financial steward for every customer.

(7) International Finance:

- A. Under the development vision of “The Best Financial Institution in Asia Pacific Region,” it will continue to integrate its domestic and overseas system platforms and connect with the development trends of the bank by making good use of its domestic and overseas branches and partners.
- B. To comply with the relevant policies and regulations, expand the trade financing and cash management services, increase customers’ willingness to set up their accounts with Cathay United Bank for cross-border operations, provide comprehensive and convenient financial services as needed, and help customers to use their funds effectively and with greater convenience to promote cross-border banking services in Greater China and Southeast Asia.
- C. The Bank will target high net worth customers in Hong Kong and Singapore and aim to secure wealth management services for high net worth customers and their families. The Bank will also develop its professional skills and expand product choices to help it work with international partners and upgrade its "Family Office" service.
- D. Strengthen the financial talent cultivation and development system and improve the Bank learning platform and on-the-job and professional training in response to the overseas development strategy aiming at becoming the best financial institution in the Asia-Pacific region.
- E. Enforce risk management mechanisms and sustainable practices while pursuing service innovation and business growth.

(8) Investments and financial products:

- A. The Bank will actively accelerate digital banking services to improve trading efficiency and service quality.
- B. Provide diversified product consulting and design services to develop customer base with potential.
- C. Improve pre-transaction offering documents to reduce potential customer complaints in the future.

■ **Cathay Century Insurance Co., Ltd.**

1. Short-term business development plan

(1) Product strategies - Personal insurance:

- A. The company will continue to optimize and promote analysis tools for vehicle insurance protection, diversify the sales functions (visualized protection diagram, with a sense of marketing materials), so that sales can be simpler and more professional, and continue to grow in 2023. The company will continue to focus on the six major components to drive the growth of new vehicle sales.
  - B. Inspect the coverage of personal health and injury products, focus on centralized business development, and strengthen the quality of insurance services to build products tailored to customer needs which complement the Group's product portfolio.
- (2) Product strategies - Commercial insurance:
- A. In commercial insurance, the Company places great emphasis on risk identification and assessment, sets reasonable considerations and conditions, and actively selects businesses in order to obtain quality businesses.
  - B. The Company will be able to expand its mobile insurance products to commercial insurance, and provide customers with a digital insurance application, which can be used to digitize operating procedures and reduce operating costs. The Company can also use mobile insurance to promote products according to the business promotion strategy and various scenarios of customers, which should significantly increase sales momentum and simplify the sales process.
- (3) Distribution strategies - Physical channel:
- A. The Company will continue to focus on its core business and aim to increase the number of property insurance cases by referring suitable customers. The company will also use the list of potential customers to enhance its business prospecting efforts.
  - B. In response to the transformation of the banking distribution channel, we will adjust the allocation of jurisdictions, focus on the expansion of potential resources, and enhance the performance demonstration with the business model of "Customer and Risk Segmentation".
  - C. The agent channel for small and medium-sized insurance agent/broker companies has optimized mobile insurance and tiered management to increase the surcharge and renewal rate and select stable operating income; emphasize the group consolidation of large cases and continuously increase the proportion of profitable cases, so as to explore new market opportunities.
- (4) Distribution strategies - Digital channel:
- A. Intelligent administrative service platform:  
Break through the existing system structure and insurance product classification service model, build a customer service back-office based on "customer perspective" to help customer service personnel quickly grasp customer profiles, and provide timely and effective services and responses.
  - B. Implementation of diversified self-analysis tools:  
Cathay Century Insurance has introduced Hadoop, Python, R, SAS, and Tableau as tools for independent analysis, and continues to train Citizen Developers through project counseling and education and training. The management decision heads and users of business units can quickly understand the data, find out the business trend and business opportunities.
2. Long-term business development plan
- (1) Based on customer needs, the company will focus on growing its business in the banking and life insurance segments. It will also aim to increase the number of new types of insurance products offered to large-scale distribution channels and key customers, and explore new ways to increase customer value.

- (2) Leverage professionalism in insurance, explore market demand and implement risk control through regular renewal and replacement of the existing product portfolio to ensure competitiveness.
- (3) Create personalized digital journeys to meet the needs of diverse customer groups, and establish a digital ecosystem that is triggered by needs, serves as a shopping guide, and continues to operate, providing a customized digital experience.

#### ■ Cathay Securities Corporation

##### 1. Short-term business development plan

- (1) Acquire a massive number of new customers under the digital business model and continue the optimization of digital service experience according to customer demands.
- (2) Develop diversified products and services such as sub-brokerage, OSU, securities lending, unrestricted-purpose lending, fixed-term, fixed-amount investment, and structured products for more diversified revenue sources.
- (3) Expand business to domestic and foreign institutional investors, provide integrated services of quality products, platform and activities to domestic and foreign investors to increase orders placed by institutional investors.
- (4) Reinforce the company's image as a financial product underwriter and address customers' needs for diverse and distinctive products.

##### 2. Long-term business development plan

- (1) Jointly energize the digital ecosystem of the group, expand the customer interactions and integrate resources to acquire new business opportunities.
- (2) Commit to creating a culture of deposit shares, establish a long-term investment concept, and promote the development of financial inclusion.
- (3) Construct a seamless platform for domestic and international investments under the digital business model.
- (4) Continue to deepen the underwriting business and develop the professional investment banking business.
- (5) Strengthen financial products development and partnership with channels for a complete platform of domestic and international financial products.

#### ■ Cathay Securities Investment Trust Co., Ltd.

##### 1. Short-term business development plan

- (1) Utilize available distribution channels and offer suitable funds based on customers' risk attribute and market trend.
- (2) Continue promotion of retirement financial management education, systematic investment plan and buy-low investment strategies in order to expand the customer group and deduction amount.
- (3) Improve the professional service for corporate customers, promote ETFs to corporate and individual customers, deepen the relationship with securities channels, and facilitate education and training and fund for a greater asset scale.
- (4) Enhance the sales of major products by maintaining frequent engagement with major distribution channels to secure a high market share and sustain sales momentum.
- (5) Refine the digital marketing platform and marketing breadth; utilize critical investment news to promptly answer channels' requests; provide services with personnel to seize sales opportunities upon the economic recovery in the future.
- (6) Promote quasi-discretionary-investment-linked insurance policies and grow partnership with mid-to-large banks for more sales at new channels.

- (7) Strive to participate in fund promotion activities held by custodian banks, expand the channels for the promotion of key funds, and overcome promotional barriers for promotion for non-custodian funds.
- (8) The securities dealers promote ETF at a regular fixed-sum basis, strengthen securities channel customer briefings, and combine digital marketing to increase trading volume and customer numbers.
- (9) Promote funds on digital platforms, and gain exposure on FundRich Securities, Anue, Chailease Finance and How Securities.
- (10) Support the competent authority's promotion of fixed-term and fixed amount investment in financial inclusion, continue to introduce a variety of financial products and services, and actively promote social equity and achieve inclusive growth.

## 2. Long-term business development plan

- (1) Leverage group resources and Cathay's asset management platform and investment management team to deliver consistent long-term returns in line with customers' expectations and hence improve business performance.
- (2) Grow the relations with internal and external channels of the Group, integrate and leverage the strengths of each subsidiary in customer development and cross-selling in order to the synergy of the Group.
- (3) Grow customer base and promote customer classification management; and offer differentiated services by level of contribution to increase purchases from high net worth customers.
- (4) Secure full fiduciary discretionary investment services to government funds and corporations.
- (5) Optimize the digital user interface for customers and take into account the experience of senior customers and general investors to improve customer service satisfaction.
- (6) Strengthen the professionalism and capability in marketing and raise the finesse and accuracy of quasi-discretionary-investment products.
- (7) Promote the systematic investment business and increase deductions, explore and grow partnerships, expand the size of AUM and share of the retirement fund market, and further seek opportunities overseas.
- (8) Energize settlements in the secondary market, cooperate with the TWSE to organize the trading competition, expand the trading locations, and increase the ETF market size and customer base by promoting ETF subscriptions to both institutional and individual investors.
- (9) Through regular and disciplined investments, we can help customers accumulate pension funds as soon as possible, or achieve mid- and long-term goals and desires, and organize financial wealth management promotion activities to implement the concept of universal finance.

## ■ Cathay Venture Inc.

### 1. Short-term business development plan

- (1) The company aims to establish relationship with customers and identify potential prospects at an early stage, and actively support investees with their growth by referring businesses from other investees and group customers. The company will also draw from the group's exceptional financial service capabilities to assist investees in their financial and business competitiveness.
- (2) Other than Taiwan, the Company will direct attention to locations of advanced financial technology, such as the USA, Singapore and Hong Kong etc., for the latest trends and business opportunities.

- (3) Leverage group resources and connections of the venture capital subsidiary to explore and invest into financial technology companies in Southeast Asia.
  - (4) Strength investment development and assessment team continuously, and work with top-performing VC/ PE funds on sharing investment prospects and overseas investment opportunities.
2. Long-term business development plan
- (1) Work alongside business partners (groups and companies) that the Company can form business alliance with on joint venture investments to the benefit of both parties. Actions will be taken to enhance investment assessment capabilities of the venture capital team, and thereby enabling the Company to acquire investment prospects from a broader number of sources.
  - (2) Further explore opportunities in ASEAN countries or regions where there is strong presence of Taiwanese enterprises.
  - (3) Strengthen investment teams in terms of research capacity and efficiency across different industries and regions.

## II. Cross-business & Cross-selling Benefits

Cathay Financial Holdings has been actively consolidating resources across subsidiaries to reduce operating costs, raise capital efficiency, and enhance cross-selling efforts. In doing so, subsidiaries are able to share resources with each other, while the Company substantially enhances customer satisfaction and maximizes shareholder value. Cathay Financial Holdings and subsidiaries regard cross-selling as an important performance indicator. Take 2024 results as an example, 24% of Cathay Life Insurance's first-year-premium was generated from the sale of insurance products through Cathay United Bank. For credit card business, 10% of new cards issued by Cathay United Bank had come from applications submitted through Cathay Life Insurance. Moreover, Cathay Life Insurance and Cathay United Bank together contributed to 55% of Cathay Century Insurance's overall business for the period.

Cathay Financial Holdings will continuously lie in the business foundation of customer value and aim for seamless integration between channels and products to fulfill customers' personalized needs. In terms of product development, by observing and adopting changes in the financial industry and regulatory environment around the world, we develop and introduce suitable products to our customers. In terms of distribution, we strive to create a more gratifying one-stop shopping experience for our customers through integration of marketing information and optimization of service processes. Given the trend of financial service toward scenario patterns, the company will continue working with partners of different industries to explore third-party applications and develop everyday banking. By offering brand new service experience, we hope to tighten our long-term relationship with customers.

In summary, Cathay Financial Holdings will continuously base on customer orientation mindset to raise customer value by delivering the right product/service through the right channel at the right time depending on customers' needs and preferences. Through systematic and efficient cross-selling mechanism, we expect to make better use of group resources and create higher synergy.

## III. Industry and Market Overview

### (I) Locations where products (services) are mainly sold (provided)

Main financial products (services)	Regional base/office
Life Insurance (including life, endowment, health/medical, annuity, accident, group, etc.)	Taiwan, Mainland China and Vietnam
Banking (including deposits, loans, credit cards, foreign exchange, trusts, etc.)	Taiwan Hong Kong, Mainland China, Singapore, Vietnam, Cambodia, Laos, Malaysia, Philippines, and Myanmar
Non-Life Insurance (including automobile, fire, flood, engineering, health, accidental injury and others etc.)	Taiwan and Vietnam
Securities (brokerage, proprietary trading, underwriting, financial instruments)	Taiwan, Hong Kong
Investment Trust and Advisory	Taiwan, Mainland China

### (II) Future market supply and demand

#### ■ Life Insurance

##### 1. Supply

Cathay Life continues to invest in resources, combining with its primary insurance business, it focuses on developing a wide range of financial products and innovative services. The company will not only actively transform its product structure, but also reduce the percentage of savings component, and focus on long-

term payment and protection of products. In order to improve the asset-liability matching, it is expected that the percentage of foreign currency insurance will continue to increase, to avoid excessive fluctuations in profit and loss and net value, and to strengthen the company's profitability and financial stability. In addition, digital tools are used to integrate business resources, optimize administrative and marketing efficiency, cover service information sharing, demand analysis, insurance application procedures and policy services, and comprehensively improve customer experience.

## 2. Demand

As Taiwan enters an aging society, people's demand for finance, health and medicine is increasing. From “compensation” to “prevention” has become the market trend. Health awareness increased after the pandemic, and protection products and health-related business development were promoted. In the next five years, the population of people aged 60 to 64 will reach a peak. In addition to health care, this will also bring a large number of retirement needs. Cathay Life Insurance needs to continue to think about how to satisfy the needs of older adults, so that the insurance can exert greater value.

## 3. Future prospects

In 2026, the insurance industry will be adopting the new insurance liability reporting guidelines (IFRS 17) and new Insurance Capital Standard (ICS 2.0). Cathay Life Insurance will face the challenges of the new accounting system and new generation of settlement performance system, and must strengthen its capital structure and optimize capital allocation. As the U.S. Fed starts an interest rate cut cycle, it is expected that the public will return capital to insurance products, and the premium growth momentum will be enhanced. In addition, the rapid development of artificial intelligence technology will continue to be introduced into the insurance value chain, expanding the service scenarios and quality, and satisfying the needs of customers in a timely manner, realizing the “customer-centric” service concept.

## ■ Banking

### 1. Supply

- (1) Cathay United Bank integrates digital and physical resources and offers customers comprehensive investment product suggestions based on their preferences and wealth management features. The Bank also improves the investment before, during and after the digital platform to improve the convenience of customers.
- (2) The low profitability becomes a new normal in the financial sector due to competition and high product similarity, and it has become harder to maintain a certain level of profitability. Therefore, providing customer-oriented professional services is set to be the primary business strategy of Cathay United Bank.

### 2. Demand

- (1) Cathay United Bank has been observing the feedback from its high net worth customers, who believe that the key to wealth management service value lies in providing customers with objective allocation adjustment suggestions such as conversion and stop-loss. Cathay United Bank has invested considerable resources in recent years to enhance asset allocation consulting capabilities and related system construction, in order to improve wealth management services to a higher level and satisfy customers' diversified financial needs.
- (2) Although the central bank controls the housing market, the overall consumer banking market is still supported by customer demand for self-occupation and



long-term property preservation. The personal loan business is expected to grow steadily.

### 3. Future prospects

In response to the international political and economic changes and the business opportunities and risk management transformation brought by climate change, Cathay United Bank will utilize its core competitiveness to become a leading “regional bank.” With the “customer-centric” and One Bank philosophy, the Company will develop diversified services, deploy resources on a macro level, and build innovative business models to achieve the vision of “Asia Pacific Deployment and Challenge the Peak”.

## ■ Non-life insurance

### 1. Supply

- (1) Cathay Century Insurance has adhered to its human-centered approach by fully utilizing the two main functions of “risk prevention” and “insurance coverage” to actively resolve environmental, social, campus, and corporate governance issues. Cathay Century Insurance will continue to strengthen digital technology R&D efforts to provide innovative, diversified, convenient, and demand-fulfilling insurance products and services that help customers appreciate the Company's dedication and values at every service contact.
- (2) Dedicated to promoting proactive risk prevention, Cathay Century Insurance aligns with the latest technologies and trends to actively develop innovative and diversified loss prevention services. These include the "Campus Traffic Risk Map," the "Zero Accident Research Institute," and the "Unexpected Series (Schools, Riders, Bicycles, Communities)." By implementing these initiatives, Cathay Century Insurance aims to minimize the likelihood of accidents and achieve comprehensive risk prevention education for all ages.
- (3) Cathay Century Insurance promotes comprehensive loss prevention by providing corporate clients with professional risk assessment and factory risk improvement services. These include the “TRM natural hazards risk assessment”, “SIMULEX personnel emergency escape simulation”, and “Electrical equipment inspection”. By assisting corporate clients in reducing the frequency of accidents, we achieve a win-win situation for both insurance parties while fulfilling our social responsibility.

### 2. Demand

As the pandemic eased, people in Taiwan began to travel domestically and overseas more frequently, which led to an increased demand for travel protection products. In addition, the government actively promoted the “Taiwan's Pathway to Net-Zero Emissions in 2050” plan, driving demand for related commercial insurance due to the development of the green energy industry. Simultaneously, the electrification of transportation vehicles and AI present new business opportunities in the property insurance market.

### 3. Future prospects

Looking ahead to 2025, with the gradual slowdown of global inflation, high-tech industries such as AI servers and semiconductors drive positive exports and investment demand in Taiwan. At the same time, the central government continues to prepare the budget for the fifth phase of the forward-looking plan (NT\$70.3 billion in 2025). It is expected that in response to the global political and economic situation and technology trends, the central government will lay the foundation for national infrastructure, establish major public construction projects such as rail and green energy, and actively promote the six core strategic industries such as 5G, information security, and precision health, to drive the industrial revitalization

promotion. In addition, the return of Taiwanese businessmen to investing capital is expected to drive the steady growth of the commercial insurance business.

As the supply chain of automotive products has returned to normal and the sales market is thriving due to the new energy vehicle trend, the premium income from the auto insurance market is expected to continue to grow; in addition, as the tourism industry has recovered to the previous level, the market demand for travel protection products is established; the digital process of the property insurance industry is accelerated, and the online insurance, online claims and AI applications are maturing. In conclusion, the property insurance market in Taiwan is expected to maintain steady growth in 2025 under a stable economic environment and multiple benefits.

## ■ Securities Business

### 1. Supply

In the trend of digitalization, the number of securities branches has fallen continuously from 1,086 (peak) in 2011 to only 839 in 2024. In 2024, the global economy and financial market will show the strong potential for recovery and growth in the face of continuous changes. Although inflationary pressure has not yet eased and geopolitical instability remains, the rapid development of emerging technologies such as AI and the gradual stability of the global supply chain have made the performance of the global IPO market better than expected. The primary market of the Taiwan stock market is full of surprises. The number of IPO and SPO cases increased by 18% and the amount of IPO and SPO cases increased by 45% year by year. The number of cases and the amount of IPO and SPO cases both hit record highs in the past decade. To continue stimulating capital market activity, regulatory authorities encourage enterprises with key technologies and innovation capabilities to raise funds and promote through the Innovation Board to strengthen the structure of the capital market.

### 2. Demand

Benefiting from an improved economy in the US, the US S&P 500 index and Taiwan's TAIEX were both at 5,882 and 23,035 points, respectively, hitting record highs. In addition, the average daily trading volume of TWSE/TPEx listed stocks in Taiwan was NT\$522.9 billion, 46% growth compared to the same period of last year, which also set a new record. Cathay Securities will extensively improve the financial service experience through the innovation of digital service.

### 3. Future prospects

Looking to the future, Cathay Securities will establish a “long-term investment and stockholding culture” and improve the “customer digital experience.” It is committed to providing personalized, comprehensive investment and wealth management services to all segments of society. Cathay Securities will continue to provide more feature services that meet the needs of investors, promote inclusive finance development, and work towards the realization of the concept of shared prosperity for all. Finally, through the integration of internal and external resources, Cathay Securities aims to provide customers with a safe, convenient and thoughtful investment environment, becoming the preferred securities firm of choice for investors.

## ■ Investment Trust

### 1. Supply

Founded over 24 years ago, Cathay Securities Investment Trust has been the largest asset management company in Taiwan for 13 consecutive years. Its exceptional performance has been repeatedly recognized by domestic and international professional institutions, reflecting our commitment to continuous innovation and

development. As of December 2024, Cathay Securities Investment Trust had been honored with a total of 229 awards in regard to fund offering, investment research, asset management, and risk management. The diversity of our achievements is representative of our persistence in innovative research and development. Owing to the contribution of a professional and experienced team, Cathay Securities Investment Trust continually strives for excellence and innovation. Its product development is always forward-looking, leading the industry and injecting diverse innovative energy into the market to meet the financial needs of both institutional and retail investors.

## 2. Demand

ETFs continue to be the primary driver of growth in the fund industry, coupled with the gradual opening of related businesses by the government, Cathay Securities Investment Trust will continue to develop its ETF product line and place emphasis on research and development of products that align with market trends and meet customer needs. These products include thematic industries, sustainable issues, high dividend characteristics, or growth-oriented prices, providing investors with more investment choices. Furthermore, given the public's rising awareness towards retirement wealth planning, Cathay Securities Investment Trust will continue introducing related products and investment tools suitable for retirement wealth planning, and to organize retirement wealth management education sessions. Cathay Securities Investment Trust hopes to help investors make an early start in saving for retirement life.

## 3. Future prospects

Facing the diversification of ETF products and intensified competition in the market, Cathay Securities Investment Trust will remain at the forefront of industry trends to identify and capitalize on emerging investment opportunities for its clients. It will strengthen professional services for institutional investors, promoting the purchase of ETFs by institutional investors and retail investors to expand the market size.

Cathay Securities Investment Trust will plan long-term activities for retirement financial education, improve the retirement trial calculation platform, introduce solutions for labor insurance/retirement calculation and diversified retirement wealth management, and create a comprehensive retirement information platform through online and offline activities.

Cathay Securities Investment Trust will adopt new financial technologies for the launch of simple and easy-to-understand digital services targeted at addressing the pain points of young customers, which in turn improves satisfaction and loyalty. It will gradually increase cooperation with digital channel partners, work with e-payment providers to promote new features of purchasing funds through electronic payments. In 2024, Cathay Securities Investment Trust plans to upgrade the App's services, improve after-sales service, including integrating functions for dividends notice and income allocation account to meet the wealth management needs of millions of ETF earners, and increase the number of customers and the scale of Cathay Securities Investment Trust's Asset Under Management (AUM).

### **(III) The Business Objectives of Cathay Financial Holdings**

The Company remains committed to its sustainability principles and its goal to maximize values for shareholders, customers and employees. Its future strategies will still revolve around three main focuses: 1. Expand asset management and complete the third profit engine with higher profit contribution; 2. Continue deep-rooted planning in Asia Pacific; and 3. Strengthen FinTech innovative applications. In doing so, we hope to improve our market competitiveness and become one of the best financial institutions in Asia Pacific. The Company's future operational targets are as follows:

1. **Expand asset management and complete the third profit engine with a higher profit contribution:** Under the stable development of banking and insurance businesses, plus the horizontal consolidation of group resources, the Company's channel network, new products development and investment research capabilities, the asset management has been actively completed to become the third profit engine of the Company. The Company will continue to expand the asset under management and strengthen its internationalized asset management products and services upholding its customer-oriented service core. The Company upholds the customer-oriented service core and provides one-stop shop value service through the Group, including banking, insurance and asset management, in order to satisfy customers demands in different stages of their lives and various financial service needs in the changing financial market. In the future, the Company will continue to establish prospective and comprehensive asset planning strategies for customers, in order to improve financial performance and enhance profit contributions.
2. **Expand in Asia Pacific:** The Company will link to Greater China and ASEAN market planning in order to provide financial services satisfying the demands of overseas and domestic Taiwanese business operators and local customers. In addition, for the market in China, through the existing subsidiaries, joint venture property insurance and life insurance companies, the local business will be enhanced to jointly expand the local market. Meanwhile, the Company has been making progressive expansions into Southeast Asia in recent years through a combination approach of branch establishment, shareholding and business acquisition. It currently has branches in nine ASEAN countries and continues to enhance cooperation with strategic partners such as RCBC in the Philippines to grow distribution channels. With the extensive years of experience deep rooted in the financial industry, the Group will continue to expand channels and local management team, in order to develop business opportunities in the Southeast Asian market.
3. **Strengthen FinTech innovative applications:** With the three major fields of digital, data and technology as the foundation, the Company actively invests in the construction of Big Data infrastructure and continues to recruit cross-field talents in order to integrate data within the Group, and assemble a solid data analysis team that is capable of implementing financial technologies in real applications. The Company has successively launched a variety of FinTech innovative applications to create a one-stop customer experience that integrates different platforms, security, and virtual reality, such as the one-stop digital financial service "CUBE App", smart investment platform "Cathay Smart Investment", health data platform "FitBack", remote insurance platform "Cathay Vision Experience (CVX)", and e-commerce insurance platform "BeSafe". These are all creative examples of what conventional financial institutions may offer with the help of financial technology. In the future, the Company will continue to listen to market demand, implement digital empowerment with active and continuous innovation, in order to support various scenarios and needs within the Group with FinTech energy accumulated for a long period of time, and collaborate with partners from different industries to introduce competitive business models. It is our ultimate goal to build a finance ecosystem around the idea of "Cathay as a Service" (CaaS), and provide customers with personalized, highly flexible, and near-demand financial service experiences.

#### (IV) Future threats and opportunities

##### ■ Life Insurance

##### 1. Opportunities

- (1) **Market aspect:** As Taiwan enters an aging society, people's demand for finance, health and medicine is increasing. From "compensation" to "prevention" has become the market trend, which drives the development of protection products and health-related business. After the pandemic, people have increased demand

for health management. Cathay Life will continue to combine digital platforms, products, and salespeople with care to improve insurance value, develop innovative products, meet market needs, and strengthen digital services to enhance customer experience.

- (2) **Policy aspect:** The Financial Supervisory Commission has promoted six core financial policies, including strengthening capital resilience, promoting financial market development, and accelerating financial and technological innovation, and encouraging insurance companies to develop innovative products and services to meet the medical protection needs of older adults. These policies help improve the competitiveness of the insurance industry and promote diversified development of the market. Cathay Life will actively respond to government policies, promote product structure transformation, and strengthen risk management to ensure the Company's stable operations.
- (3) **Population development aspect:** In the next five years, the population of people aged 60 to 64 will reach a peak, bringing a large number of retirement needs. Insurance companies need to continue to think about how to satisfy the needs of older adults, so that insurance can exert greater value. As the population ages, the demand for long-term care and health management will also increase, which is a new business opportunity for insurance companies. Cathay Life will launch exclusive products for senior customers and strengthen health promotion plans to improve customer health and life.
- (4) As the society places great emphasis on health and sustainable development, insurance companies have introduced health promotion plans and sustainable insurance products to satisfy market demand. Given the growing digital trend, insurance companies are using digital tools to deliver better user experience, provide more personalized services, and target customers through more accurate data analysis. Cathay Life will continue to promote digital transformation, optimize digital platforms, and incorporate the ESG concepts to promote corporate sustainability.

## 2. Threats

- (1) The rise of the US protectionism policy and the challenge of China's economic recovery, coupled with geopolitical risks and conflicts, have caused uncertainties in the global economy and financial markets, which in turn limit the spread of interest rates and investment income of life insurance companies. These factors may cause the market to fluctuate and affect the stable development of the insurance industry. Cathay Life will strengthen its asset allocation strategy, improve its hedging effectiveness, and continue to monitor global economic dynamics in order to flexibly respond to market changes.
- (2) As digital banking becomes a reality, customers expect to enjoy digital insurance services. The industry is gradually adopting artificial intelligence technology, and insurance companies must continue to introduce new technologies, optimize channel operations and account services, and face the pressure of technology updates and competition. The cost and technology risks associated with digital transformation are also challenges that businesses must face. Cathay Life will continue to invest in digital technology, improve digital service capabilities, and strengthen digital security management to ensure the security of customer data.
- (3) The adoption of the two new systems, IFRS 17 and ICS, will affect net worth calculation of the life insurance industry, causing substantial variation in reported profits while increasing compliance and administrative costs. Life insurance companies will face challenges in product design, financial actuarial, underwriting, and channel communication, and will need to invest a large amount of resources to ensure compliance, which may create pressure on business operations. Cathay Life Insurance will continue to actively adjust its

product structure, optimize capital allocation, and strengthen internal control and risk management to ensure compliance.

## ■ Banking

### 1. Opportunities

- (1) Cathay United Bank has the advantages of access to resources of Cathay Group, and it capitalizes on internal and external professional market analyses and a wide range of financial product resources of the Group to provide new wealth management products and investment guidelines. In addition, Cathay United Bank is the exclusive distribution bank for the insurance policies of Cathay Life and Cathay Century Insurance, resulting in the faster speed in product design and modification, while the insurance sales team of the holding company can take over and provide suggestions for customer queries, thereby forming a competitive financial holding platform.
- (2) The Company will continue to develop customized products for high net worth customers to satisfy customer needs for stable dividends and long-term asset appreciation, while providing comprehensive financial services such as investment allocation and family inheritance planning for customers with the expert team. With the advantage of the comprehensive branch of Cathay United Bank, the Bank serves customers through a combination of physical and digital channels, while optimizing the loan service flow chart to improve the experience of customers and Cathay United Bank.
- (3) The CUBE credit card has been the largest credit card in the market and continues to grow. CUBE customers are familiar with the payment model and the diversified applications of the CUBE App. This helps the Cathay Group in combining its life insurance, securities, property insurance, and investment trust subsidiaries, to deepen the relationship with bank customers via the advantages of the CUBE platform, extend more diverse financial service opportunities, and develop innovative cross-industry alliance and cooperation models. By combining the life scenarios of strategic partners, the Company effectively promotes financial services in managing customer values. For a long time, Cathay United Bank has focused on customers and providing good services and experiences. It is concerned about maintaining good relationships with customers and growing customer loyalty, and has been paying more attention to the relationship between the bank and customers. In terms of credit card services, the Bank will continue to focus on “in-depth” relationship management, and use credit cards as the starting point to link digital cross-selling and Tree Points. The Bank will also increase the adhesion of the platform through the brand ecological circle co-venture strategy to create a comprehensive digital financial service.

### 2. Threats

- (1) Taiwan is facing uncertainties in the global situation and changes in the economic situation, which have led to changes in customer consumption behavior and business strategy adjustments. How to better grasp customer needs and forecast market development, strengthen flexibility and adjust flexibly will be the future business challenges.
- (2) As the competition in the financial market becomes more and more intense, and large-scale joint ventures and competitions in the industry cooperate, industry participants make use of preferential activities and additional feedback to seize channel resources, and force operating costs to increase and profit margins to be limited.
- (3) The financial industry has entered a high digital trend, but the relevant non-financial industries have also gradually launched digital financial service

scenarios. There will be challenges on how to build differentiated services to obtain competitive advantages, and ensure information security in line with relevant regulations while satisfying customer expectations.

- (4) Financial products are highly overlapping and homogenized. How to adjust the sales strategy more quickly and develop marketable products and improve customer adhesion through financial management services are future challenges.
- (5) The domestic financial market is saturated and the business prospect of the future is uncertain, which may suppress the profit of the banking industry. Furthermore, given the rapid changes in financial products and the banking environment, banks have to constantly adjust and adapt, which presents major challenges to future operations.
- (6) Looking ahead to 2025, though the international geopolitical situation continues to be turbulent, coupled with the market's expectation that the domestic and foreign financial markets will enter a cycle of interest rate cuts, and Taiwan's housing market is still under strict control, which will impact the bank's business. However, Taiwan's interest rate cut in 2025 will not be much, and interest rates are expected to remain high. In addition, as the global investment market becomes more relaxed, the bond yield declines, which helps the bank's investment interest.

## ■ Non-life insurance

### 1. Opportunities

- (1) Cathay Century Insurance has abundant support from Cathay Group including strong brand image, nationwide network, and extensive sales force. It has the advantage to leverage the Group's highly coordinated marketing efforts, asset management initiatives, and needs analyses to great effect.
- (2) Cathay Century Insurance has been actively promoting digital transformation in recent years, taking actions to optimize online channels and service processes as a means to increase sale of personal insurance products. Meanwhile, more attention is being paid to acquire and manage relationship with customers, and therefore improve service quality and customer experience at the same time.
- (3) Following the announcement of the new energy policy, the green energy industry has expanded the sophisticated technologies, such as offshore wind power and solar power, and developed new energy technology, such as geothermal energy and marine energy, to explore the vast market potential, leading to the growth of commercial insurance products. At the same time, the pandemic has accelerated the development of online insurance applications, hence the extensive digital channel scale.

### 2. Threats

The frequent occurrence of extreme weather around the world has caused natural disasters to increase the cost of reinsurance, which has also put pressure on domestic property insurance companies in terms of operating costs. In addition, the political and economic situation and interest rate policies following the U.S. election have all increased the operating challenges of property insurance companies.

## ■ Securities Business

### 1. Opportunities

- (1) Cathay Securities is a pioneer in digital service and fully supports the government's policies on financial technology and financial inclusion, both of which have emerged as trends of the future. In addition, given the fact that the digital pipeline has been effective, the scope of products and services offered

on the digital platform will be broadened to meet the needs of different customers.

- (2) The sub-brokerage market continues to expand rapidly, and Cathay Securities is currently ranked as No. 1 in the sub-brokerage market. With the scale advantage, Cathay Securities continues to optimize the customer experience and expand the overall sub-brokerage business scale, in order to satisfy the demands of domestic customers for foreign securities products.
- (3) Digital financial service forms a significant part of Cathay Securities' development strategy, which puts Cathay Securities in high demand for financial technology talents (the same can be said about financial peers), and competition for critical digital talents has intensified as a result.

## 2. Threats

- (1) The market is expected to be subject to the following challenges and uncertainties: geopolitical conflicts, slow economic growth in large economies, the U.S. interest rate cycle, and rapid development of AI technology.
- (2) Cross-industry collaboration has emerged as a new competitive practice. Competition from non-financial institutions in the financial service industry has been made possible by new business models and innovative technologies, which further intensifies competition within the industry.
- (3) Digital financial service forms a significant part of Cathay Securities' development strategy, which puts Cathay Securities in high demand for financial technology talents (the same can be said about financial peers), and competition for critical digital talents has intensified as a result.

## ■ Investment Trust

### 1. Opportunities:

- (1) As investment products are becoming diversified, ETFs have emerged as important investment tools with a significant increase in the number of market ETF offerings and beneficiaries. Taiwan is set to permit listing of actively managed ETF. Cathay Securities Investment Trust utilizes its advantages of Group resources and investment research team to provide long-term and stable operating performance and to garner high trust from investors.
- (2) "Retirement planning" has gained significance as an investment goal due to an increased average lifespan in Taiwan. Cathay Securities Investment Trust has been following this trend for a long time and responded with offerings such as "Cathay Retirement Series – Cathay Target Date 2029/2039/2049 Fund of Funds," an optimized digital platform, comprehensive information and services, education on retirement planning, and innovative debiting strategies. The Company places great emphasis on regular fixed-sum investment plans as a way of increasing investor commitment and market share, and has established a reputation as a retirement planning expert becoming the first choice among investors in Taiwan.
- (3) Investors have become increasingly dependent upon digital services due to rapid technology development. A digital, AI-driven mobile investment platform has been created specifically for young customers and people approaching retirement. Ongoing improvements are being made to digital marketing, and developments in innovative e-servicing services are driven to raise customer satisfaction with the real-time products, information and services offered.

### 2. Threats:

- (1) The importance of digital finance and cybersecurity has increased. It is necessary to continuously optimize the computer and mobile versions of the wealth management systems, and strengthen information security protection, in



order to provide investors with a safer digital investment environment and services.

- (2) The ETF market is heating up, requiring accelerated development and launch of new products, optimization of existing ones, and deepening of fund financial education. Attracting foreign investment, coupled with the synchronous growth of ETF market-making costs, adds to the increasing competition and difficulty in product development.
- (3) The global market is expected to be affected by several factors, including the new U.S. President's policy, the Fed's interest rate policy, geopolitical risks, and climate change, which may cause volatility in the financial market.

## IV. Employee Profile

### ■ Cathay Financial Holding Co., Ltd.

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employees	Managers	81	96	91
	General Staff	625	648	650
	Total	706	744	741
Avg. Age		35.43	36.39	36.5
Average years of services		6.20	5.87	6.1
Education	Doctorate	0.71%	0.94%	0.94%
	Master	57.95%	58.74%	58.16%
	Bachelor	39.77%	40.05%	40.62%
	High School	1.98%	0.13%	0.13%
	Below High School	0.28%	0.13%	0.13%
Professional Certifications or Qualifications Received by Employees		See chart below		

2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Chartered Financial Analyst (CFA)	CFA Institute (AIMR)	1
Financial Risk Manager (FRM)	GARP	3
Certified Public Accountant	The Examination Yuan of R.O.C.	2
Taiwan Bar Exam	Legal Affairs Dept	4
Certified Anti-Money Laundering Specialist (CAMS)	Association of Certified Anti-Money Laundering Specialists (ACAMS)	4
Associate of Society of Actuaries (ASA)	Society of Actuaries	4
U.S. actuary exam	Society of Actuaries	81
Certified Public Accountant (CPA)	American Institute of Certified Public Accountants	2
Certified Information Security Manager (CISM)	ISACA	3
10012 Personal Information Management System Lead Auditor	British Standards Institute (BSI)	3
Certified Information System Security Professional, CISSP	International Information Systems Security Certification Consortium, Inc. (ISC2)	2
CSA STAR Cloud-based Security Audit	British Standards Institute (BSI)	0
ISO 27001 Information Security Management System Lead Auditor Professional Certificate	International Register of Certificated Auditors (IRCA)	4
ISO 27701 Privacy Information Management System Lead Auditor	British Standards Institute (BSI)	1
Qualified Actuary	The Actuarial Institute of the R.O.C.	12
Legal Compliance Personnel Certificate	Taiwan Academy of Banking and Finance (TABF)	12
Proficiency test for digital finance knowledge	Taiwan Academy of Banking and Finance	6

Certifications and Qualifications	Exam Administrator	Number of employees
Project Management Professional (PMP)	International Project Management Association (IPMA)	42
International Information Security Manager	International Information Systems Security Certification Consortium, Inc. (ISC2)	1
Certified Information Systems Auditor (CISA)	Information Systems Audit and Control Association (ISACA) \ Others	1
Claim Adjuster for Life Insurance	Life Insurance Management Institute of the R.O.C.	25
Insurance Assessor for Life Insurance	Life Insurance Management Institute of the R.O.C.	22
Administrators of Life Insurance Management, R.O.C.	Life Insurance Management Institute of the R.O.C.	43
Fellow of Life Management Institute (FLMI) certification	Life Office Management Association (LOMA)	110
Certified Internal Auditors (CIA)	Institute of Internal Auditors (IIA)	2
Chartered Financial Analyst (CFA)	Association for Investment Management and Research (AIMR)	2
Project Management Professional (PMP)	Project Management Institute	26
Professional Scrum Master (PSM)	Scrum.org.	33
A member of Royal Institution of Chartered Surveyors (RICS)	RICS	2
SAS Basic Programming Designer	SAS	2
Certified Information System Security Professional, CISSP	International Information Systems Security Certification Consortium, Inc. (ISC2)	3
Qualification Exam for Stock Affair Specialist	Securities and Futures Institute	3
Qualification Exam for Personal Insurance Representative	The Life Insurance Association of the R.O.C.	299
Qualification Exam for Non-Investment Foreign Currency Insurance Products	The Life Insurance Association of the R.O.C.	42
Test for Internal Control and Internal Audit of Banks (General Finance)	Taiwan Academy of Banking and Finance (TABF)	86
Test for Internal Control and Internal Audit of Banks (Consumer Finance)	Taiwan Academy of Banking and Finance (TABF)	52
Securities investment analyst	Securities Investment Trust & Consulting Association of The R.O.C (SITCA)	9
Certified Financial Planner (CFP)	Financial Planning Association of Taiwan (FPAT)	6

### 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	284
Professional Courses	20,562
Auditor Continuing Training	5
2024 Total Training Expense	NTD\$ 24,870,258

■ Cathay Life Insurance Co., Ltd.

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employees	Back-Office Personnel	4,942	4,956	4,956
	Front-Office Personnel	24,829	24,153	24,107
	Total	29,771	29,109	29,063
Avg. Age		45.41	45.81	45.89
Average years of services		13.15	12.93	12.88
Education	Doctorate	0.06%	0.05%	0.06%
	Master	9.03%	9.29%	9.29%
	Bachelor	55.20%	55.76%	55.94%
	High School	33.61%	32.94%	32.83%
	Below High School	2.11%	1.96%	1.88%
Professional Certifications or Qualifications Received by Employees		See chart below		

2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Qualification Exam for Securities Investment Analyst	Securities and Futures Institute	51
Qualification Exam for Securities Specialist	Securities and Futures Institute	165
Qualification Exam for Senior Securities Specialist	Securities and Futures Institute	136
Qualification Exam for Futures Specialist	Securities and Futures Institute	145
Futures Trading Analyst	Securities and Futures Institute	2
Qualification Exam for Securities Investment Trust and Consulting Professional	Securities and Futures Institute	174
Qualification Exam for Securities Investment Trust and Consulting Regulations	Securities and Futures Institute	4,703
Qualification Exam for Stock Affair Specialist	Securities and Futures Institute	5
Professional Capacity of Bonds Specialist	Securities and Futures Institute	9
Sales Personnel of Futures Trust Fund Distributor	Securities and Futures Institute	947
Basic exam for Corporate Internal Control	Securities and Futures Institute	29
Proficiency Test for Asset Securitization	Securities and Futures Institute	5
Proficiency Test for Financial Planning Personnel	Taiwan Academy of Banking and Finance	837
Basic Proficiency Test for Junior Credit Personnel	Taiwan Academy of Banking and Finance	92
Proficiency Test for Advanced Operation Personnel	Taiwan Academy of Banking and Finance	2

Certifications and Qualifications	Exam Administrator	Number of employees
Professional Competency Test on Trust Collateral Appraisal of Financial Personnel	Taiwan Academy of Banking and Finance	18
Professional Competency Test on Risk Management of Financial Personnel	Taiwan Academy of Banking and Finance	2
Basic Proficiency Test for Foreign Exchange Personnel	Taiwan Academy of Banking and Finance	18
Qualification Test for Sales Personnel of Structured Products	Taiwan Academy of Banking and Finance	37
Test for Internal Control and Internal Audit of Banks	Taiwan Academy of Banking and Finance	556
Qualification Exam for Personal Insurance Representative	The Life Insurance Association of the R.O.C.	21,913
Qualification Exam for Non-Investment Foreign Currency Insurance Products	The Life Insurance Association of the R.O.C.	23,843
Insurance Assessor for Life Insurance	Life Insurance Management Institute of the R.O.C.	965
Claim Adjuster for Life Insurance	Life Insurance Management Institute of the R.O.C.	936
Qualification Exam for Non-Life Insurance Representative	The Non-Life Insurance Association of the R.O.C.	7,341
Proficiency Test for Trust Operations Personnel	Trust Association of R.O.C.	4,193
Qualification Exam for Bill Finance Specialists	R.O.C. Bills Finance Association	2
Qualification Exam for Investment-orientated Insurance Product Representative	Insurance Institute of the Republic of China	20,616
Insured service certification - life insurance	Insurance Institute of the Republic of China	1,566
Insured service certification - property insurance	Insurance Institute of the Republic of China	2
Certified Public Accountant	The Examination Yuan of R.O.C.	13
Architect	The Examination Yuan of R.O.C.	3
Real Estate Appraiser	The Examination Yuan of R.O.C.	6
Taiwan Bar Exam	The Examination Yuan of R.O.C.	7
Land Administration Agent	The Examination Yuan of R.O.C.	1
Life Office Management	Life Office Management Association (LOMA)	118
USA Chartered Financial Analyst (CFA)	CFA Institute	20
USA Financial Risk Manager (FRM)	GARP	13
The Associate, Life and Health Claims (ALHC)	International Claim Association	8
ALU	Life Office Management Association (LOMA)	1
Fellow of The Institute of Actuaries of Japan	The Institute of Actuaries of Japan	1
Fellow of the Society of Actuaries	Society of Actuaries	3
Associate of the Society of Actuaries	Society of Actuaries	34
Administration Personnel for Life Insurance	Life Insurance Management Institute of the R.O.C.	70

Certifications and Qualifications	Exam Administrator	Number of employees
Fellow of The Actuarial Institute of R.O.C.	The Actuarial Institute of the R.O.C.	5
Associate of The Actuarial Institute of R.O.C.	The Actuarial Institute of the R.O.C.	18
Certified Internal Auditors (CIA)	Institute of Internal Auditors (IIA)	15
Certified Information Systems Auditor (CISA)	International Computer Auditing Education Association (ISACA)	5
Certified Financial Planner (CFP)	Financial Planning Association of Taiwan (FPAT)	559
A member of Royal Institution of Chartered Surveyors (RICS)	RICS	13
Project Management Professional (PMP)	Project management institute	34
Certified Anti-Money Laundering Specialist (CAMS)	ACAMS	1
SAS Basic Programming Designer	SAS Institute	2
SAS Certified Advanced Programmer	SAS Institute	1
Certified Commercial Investment Member (CCIM)	CCIM INSTITUTE	1
Oracle Certified Professional, Java EE 5 Web Component Developer(OCPJWCD)	ORACLE	68
Certified Information System Security Professional (ISC) <sup>2</sup> (CISSP)	CISCO	1
IBM Certified System Administrator – AIX6.1 series and above (CSA)	IBM	12
IBM Certified Application Developer–DB2 Universal Database V8.1 series and above (CAD)	IBM	5
IBM Certified Advanced Database Administrator –DB2 Universal Database V8.1 series and above for Linux, Unix and Windows (CADA)	IBM	4
CompTIA Security+ information security certification program	Computing Technology Industry Association (CompTIA)	1
Professional Scrum Master(PSM)	Scrum.org	184
Certified Information Security Manager (CISM)	ISACA	2
Professional capacity test for debt collector	Taiwan Academy of Banking and Finance	10
Reinsurance Administrator	Life Insurance Management Association	1
Proficiency test for digital finance knowledge	Taiwan Academy of Banking and Finance	12
AML and CTF Specialist Exam	Taiwan Academy of Banking and Finance	606
PMI-ACP (Agile Certified Practitioner)	Scrum.org	3
Derivative sales personnel exam	Taiwan Academy of Banking and Finance	10
Promoter for reconstruction of urban unsafe and old buildings	Chinese National Futures Association (CNFA)	6

### 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	58,170
Professional Courses	634,760
Auditor Continuing Training	608
2024 Total Training Expense	NT\$ 471,914,326

#### ■ Cathay United Bank Co., Ltd.

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employee	Managers	823	814	837
	General Staff	10,252	10,722	10,898
	Total	11,075	11,536	11,735
Avg. Age		39.16	39.30	39.07
Average years of services		9.99	9.95	9.86
Education	Doctorate	0.14%	0.13%	0.14%
	Master	21.88%	22.61%	22.66%
	Bachelor	74.37%	74.07%	74.03%
	High School	3.58%	3.16%	3.14%
	Below High School	0.03%	0.03%	0.03%
Professional Certifications or Qualifications Received by Employees		See chart below		

Note: Includes domestic permanent personnel, marketing specialists and locally hired overseas employees.

#### 2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Proficiency Test for Financial Planning Personnel	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C. \ Insurance Institute of the Republic of China \ Others	1,503
Basic Proficiency Test for Junior Credit Personnel	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C. \ Taiwan Securities Association \ Securities and Futures Institute \ Others	3,484
Basic Proficiency Test for Bank Internal Controls	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C. \ Trust Association of R.O.C. \ Taiwan Securities Association \ Securities and Futures Institute \ Insurance Institute of the Republic of China \ Others	7,191
Basic Proficiency Test for Foreign Exchange Personnel	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C. \ Others	3,158

Certifications and Qualifications	Exam Administrator	Number of employees
Qualification Exam for Personal Insurance Representative	The Life Insurance Association of the R.O.C. \ Trust Association of R.O.C. \ The Non-Life Insurance Association of the R.O.C \ Securities and Futures Institute \ Taiwan Academy of Banking and Finance \ Insurance Institute of the Republic of China \ Others	6,549
Qualification Exam for Non-Life Insurance Representative	The Life Insurance Association of the R.O.C. \ The Non-Life Insurance Association of the R.O.C. \ Taiwan Academy of Banking and Finance \ Insurance Institute of the Republic of China \ Others	6,506
Proficiency Test for Trust Operations Personnel	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C. \ Chinese National Futures Association (CNFA) \ Trust Association of R.O.C. \ Taiwan Securities Association \ Securities Investment Trust & Consulting Association of The R.O.C \ Others	6,586
Qualification Exam for Investment-orientated Insurance Product Representative	Taiwan Academy of Banking and Finance \ The Life Insurance Association of the R.O.C \ The Non-Life Insurance Association of the R.O.C. \ Trust Association of R.O.C. \ Taiwan Securities Association \ Securities Investment Trust & Consulting Association of The R.O.C \ Insurance Institute of the Republic of China \ Others	3,420
Real Estate Appraiser	Ministry of the Interior (MOI) \ Others	1
Taiwan Bar Exam	Ministry of Justice \ Examination Yuan \ Others	15
Certified Public Accountant	Financial Supervisory Commission, Executive Yuan \ American Institute of Certified Public Accountants \ Ministry of Examination \ Others	33
Certified Internal Auditors (CIA)	Institute of Internal Auditors (IIA) \ Others	14
Financial Risk Manager (FRM)	Operational Risk, Culture & Governance Community \ Others	21
USA Chartered Financial Analyst (CFA)	Association for Investment Management and Research (AIMR) \ Others	34
Certified Anti-Money Laundering Specialist (CAMS)	Association of Certified Anti-Money Laundering Specialists \ Others	41
Certified Financial Service Auditor (CFSA)	The Institute of Internal Auditors \ Others	5
Project Management Professional (PMP)	Project Management Institute \ Others	82
Certified Financial Planner (CFP)	Financial Planning Association of Taiwan (FPAT) \ Others	270
Certified Information Systems Auditor (CISA)	Information Systems Audit and Control Association (ISACA) \ Others	5



### 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	709
Professional Courses	17,892
Auditor Continuing Training	30
2023 Total Training Expense	NT\$ 122,074,091

#### ■ Cathay Century Insurance Co., Ltd.

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employees	Back-Office Personnel	1,947	1,974	1,954
	Front-Office Personnel	382	388	391
	Total	2,329	2,362	2,345
Avg. Age		40.54	40.9	41.15
Average years of services		11.08	11.6	11.86
Education	Doctorate	0.00%	0.00%	0.00%
	Master	14.94%	15.45%	15.57%
	Bachelor	77.97%	77.78%	77.65%
	High School	6.91%	6.64%	6.65%
	Below High School	0.17%	0.13%	0.13%
Professional Certifications or Qualifications Received by Employees		See chart below		

### 2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Chartered Financial Analyst (CFA)	CFA Institute	3
Financial Risk Manager (FRM)	GARP	1
Investment-linked product exam	Insurance Institute of the Republic of China	54
Insured service certification - life insurance	Insurance Institute of the Republic of China	2
Insured service certification - property insurance	Insurance Institute of the Republic of China	145
Proficiency Test for Trust Operations Personnel	Trust Association of R.O.C.	109
Associate of The Actuarial Institute of R.O.C.	The Actuarial Institute of the R.O.C.	4 (Century Insurance) + 2 (Life insurance)
Fellow of The Actuarial Institute of R.O.C.	The Actuarial Institute of the R.O.C.	9 (Century Insurance) + 1 (Life insurance)
Non-life actuaries of China	China Association of Actuaries	0
Associate actuary of casualty insurance in the US	Society of Actuaries	6
Associate actuary of life insurance in the US	Society of Actuaries	4

Certifications and Qualifications	Exam Administrator	Number of employees
Fellow of Life Management Institute (FLMI) exam	Life Office Management Association (LOMA)	3
Project Management Professional (PMP)	Project management institute	19
Certified Anti-Money Laundering Specialist (CAMS)	Association of Certified Anti-Money Laundering Specialists (ACAMS)	2
Administration personnel for life assurance of R.O.C.	Life Insurance Management Institute of the R.O.C.	1
Insurance Assessor for Life Insurance	Life Insurance Management Institute of the R.O.C.	34
Claim Adjuster for Life Insurance	Life Insurance Management Institute of the R.O.C.	29
Non-life insurance underwriter/claims adjuster exam	The Non-Life Underwriters Society of The Republic of China	222
Chartered Property & Casualty Underwriters (CPCU)	CPCU Taiwan	8
Basic Proficiency Test for Foreign Exchange Personnel	Taiwan Academy of Banking and Finance	4
Basic Proficiency Test for Junior Credit Personnel	Taiwan Academy of Banking and Finance	22
Proficiency Test for Financial Planning Personnel	Taiwan Academy of Banking and Finance	32
Qualification Test for Sales Personnel of Structured Products	Taiwan Academy of Banking and Finance	7
Qualification Exam for Non-Life Insurance Representative	The Non-Life Insurance Association of the R.O.C.	2,673
Qualification Exam for Personal Insurance Representative	The Life Insurance Association of the R.O.C.	1,687
Basic exam for Corporate Internal Control	Securities and Futures Institute	2
Sales Personnel of Futures Trust Fund Distributor	Securities and Futures Institute	2
Structural Engineer	The Examination Yuan of R.O.C.	1
Hydraulic Engineer	The Examination Yuan of R.O.C.	1
Civil Engineer	The Examination Yuan of R.O.C.	2
Certified Public Accountant	The Examination Yuan of R.O.C.	1
Taiwan Bar Exam	Legal Affairs Dept	2

### 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management (External learning)	428
Professional Courses (E-Learning System)	50,351
Auditor Continuing Training	79
2024 Total Training Expense	NT\$ 1,586,747

## ■ Cathay Securities Corporation

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2022	2023	As of March 30, 2024
Employees	Managers	65	74	72
	General Staff	911	1,106	1,116
	Total	976	1,180	1,188
Avg. Age		40.63	40.22	40.32
Average years of services		5.43	5.1	5.2
Education	Doctorate	0.00%	0.08%	0.08%
	Master	27.25%	26.53%	26.43%
	Bachelor	70.29%	71.44%	71.55%
	High School	2.46%	1.95%	1.94%
	Below High School	0.00%	0.00%	0.00%
Professional Certifications or Qualifications Received by Employees		See chart below		

## 2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Qualification Exam for Securities Specialist	Securities and Futures Institute	292
Qualification Exam for Senior Securities Specialist	Securities and Futures Institute	590
Qualification Exam for Futures Specialist	Securities and Futures Institute	331

## 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	487
Professional Courses	2,036
Auditor Continuing Training	45
2024 Total Training Expense	NT\$15,310,720

■ **Cathay Securities Investment Trust Co., Ltd.**

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employees	Managers	48	53	55
	General Staff	296	323	329
	Total	344	376	384
Avg. Age		42	42	41.6
Average years of services		8.5	8.1	7.8
Education	Doctorate	0	0	0
	Master	46.2%	46.27%	45.83%
	Bachelor	53.19%	53.03%	53.47%
	High School	0.61%	0.7%	0.7%
	Below High School	0%	0%	0%
Professional Certifications or Qualifications Received by Employees		See chart below		

2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Qualification Exam for Senior Securities Specialist	Securities and Futures Institute	185
Qualification Exam for Securities Specialist	Securities and Futures Institute	75
Qualification Exam for Securities Investment Trust and Consulting Professional	Securities and Futures Institute	175
Qualification Exam for Securities Investment Trust and Consulting Regulations	Securities and Futures Institute	125
Proficiency Test for Trust Operations Personnel	Taiwan Academy of Banking and Finance	188
Certified Internal Auditor, R.O.C. (CIA)	The Institute of Internal Auditors-Chinese Taiwan	2
Financial Risk Manager (FRM)	Global Association Of Risk Professionals (GARP)	2
Financial Knowledge and Ethics Exam	Securities and Futures Institute	311
Certified Public Accountant	American Institute of Certified Public Accountants	1

3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	218
Professional Courses	1,939
Auditor Continuing Training	65
2024 Total Training Expense	NTD\$ 5,765,994

■ **Cathay Venture Inc.**

1. Employee profile (population, years of service, age and highest educational attainment) for the last two years and before the printing date of the Report.

Year		2023	2024	As of March 30, 2025
Employees	Managers	5	3	3
	General Staff	15	21	21
	Total	20	24	24
Avg. Age		41.00	39.92	39.79
Average years of services		4.95	3.58	4.50
Education	Doctorate	5.00%	8.00%	8.00%
	Master	70.00%	67.00%	63.00%
	Bachelor	25.00%	25.00%	29.00%
	High School	0.00%	0.00%	0.00%
	Below High School	0.00%	0.00%	0.00%
Professional Certifications or Qualifications Received by Employees		See chart below		

2. Certifications and Qualifications Received by Employees

Certifications and Qualifications	Exam Administrator	Number of employees
Certified Public Accountant	The Examination Yuan of R.O.C.	2
Corporate evaluator	CABIAV	1
Certified Internal Auditors (CIA)	The Institute of Internal Auditors- USA	1
Securities Specialist	Securities and Futures Institute	3
Senior Securities Specialist	Securities and Futures Institute	6
Securities Investment Trust and Consulting Professional	Securities and Futures Institute	6
Qualification Exam for Securities Investment Trust and Consulting Regulations	Securities and Futures Institute	5
Qualification Exam for Stock Affair Specialist	Securities and Futures Institute	1
Professional Capacity of Bonds Specialist	Securities and Futures Institute	1
Qualification Exam for Futures Specialist	Securities and Futures Institute	4
Proficiency Test for Trust Operations Personnel	Trust Association of R.O.C.	4
The Non-Life Insurance Association of the R.O.C.	The Non-Life Insurance Association of the R.O.C.	1
Personal Insurance Representative	The Life Insurance Association of the R.O.C.	3
Financial Planning Personnel	Taiwan Academy of Banking and Finance	1
Sales Personnel of Structured Products	Taiwan Academy of Banking and Finance	2
Fellow, Life Management Institute (FLMI)	Life Office Management Association (LOMA)	1

Certifications and Qualifications	Exam Administrator	Number of employees
Basic Proficiency Test for Bank Internal Controls	Taiwan Academy of Banking and Finance	1
Basic Proficiency Test for Bank Internal Controls	Taiwan Academy of Banking and Finance	1
Certified Public Accountant (CPA)	American Institute of Certified Public Accountants	1
Class-2 manager of Occupational safety and health affairs	Industrial Safety and Health Association (ISHA) of the R.O.C	1
Class-3 manager of Occupational safety and health affairs	Industrial Safety and Health Association (ISHA) of the R.O.C	1
AML and CTF Specialist Exam	Taiwan Academy of Banking and Finance	1

### 3. Continuing Professional Training Received by Employees

Item	Number of Training Received by Employees
General Management	104
Auditor Continuing Training	2
2024 Total Training Expense	NTD\$ 20,507

## V. Corporate responsibility and moral conduct

### ■ Cathay Financial Holding Co., Ltd.

Cathay Financial Holdings focuses its sustainable development efforts on three key pillars: climate, health, and empowerment. The Company pays long-term attention to environmental, health, and urban and rural educational resources, arts and cultural promotion, and integrates the resources of its subsidiaries to promote diverse public welfare activities, in order to maximize the influence of the Company.

- (I) Organizing “Cathay Nation-wide Children’s Drawing Contest” enabling children to develop their art skills.

The “Cathay Nation-wide Children’s Drawing Contest” is the largest and longest-standing drawing competition in Taiwan. It is open to children of primary school age and below. It has been 49 years since the competition began, and many outstanding artistic talents have been cultivated. The theme “I Love Healthy Life” was chosen for the 2024 contest, encouraging children to freely express their imagination and depict their vision of a healthy lifestyle through art. More than 50,000 children participated. In addition, to encourage students from college campuses and high schools to create and explore a new generation of art crafts, the “New Century Art Potential Exhibition” held simultaneously has entered the 24th term, which is the best platform for young people to display their works and receive scholarships.

- (II) Cathay Financial Holdings with CLOUD GATE to host the “Cathay CloudGate Bar” series, promoting the idea that “Art is Life.”

Cathay Financial Holdings and the CLOUD GATE have long been commitment to bring world-class international-class art experiences to communities across Taiwan, enriching people’s lives. Over the past 29 years, Cathay Financial Holdings and CLOUD GATE have held more than 300 outdoor performances and community tours, touching the lives of nearly 2.7 million people through captivating dance works.

The 2024 “Cathay CloudGate Bar” brand will continue to promote “artwork go” as the “Art is Life”, and create innovative outdoor public performance models. The site interactions include a “picnic experience” with self-made meals, and “all-out movement” with the dancers. One can experience “Artree” and “Mosaic Tiles Art Creation” through the use of AI voice to draw your own art tree. The Taipei site has been upgraded to a DJ&VJ performance. The famous music performer, Lim Giong, and the New Media team, Dimension Plus, will combine music with AI visual effect to bring the audience a multi-sensory treat. This experience will show them that art can be more interesting and novel.

The 2024 “Cathay CloudGate Bar” community tour has deeply penetrated all corners of Taiwan. Eight performances were held in New Taipei, Kaohsiung, Taitung, and Penghu Islands. The arts were brought into daily life for the public to feel the beauty of art. In addition, as the earthquake has affected local industry and life in Hualien, the “Cathay CloudGate Bar” has added two community tour performances in Hualien to bring comfort to the people through art.

The two outdoor performances and 10 community tours of the Cathay CloudGate Bar series were held, attracting more than 50,000 audience members.

- (III) Supporting “Teach for Taiwan (TFT)” to cultivate quality education workers

The Cathay Charity Group has long paid attention to the issues of Taiwan's education and urban and rural resources. Since 2016, the Group has connected the resources of various companies in the Group to support the “Teach for Taiwan (TFT) Program” to cultivate quality education workers. It is hoped that through the influence of teachers, the learning gaps in small cities and villages can be reduced, and positive changes in classrooms in remote areas can be promoted. Up to now, the Company has attracted more than 6,300 talented participants from different fields, cultivated 414 program members, and cooperated with 94 elementary schools in remote areas to cultivate more than 7,500 students.

To establish the 11th anniversary celebration, TFT has created a “children's stage” with music to let children express their hometown's charm. The “Cathay School Dream Project” has cultivated the remote elementary school in Zhunan, Pingtung, for a long time. With the guidance of TFT and the local resident, Li, Yen-Feng, a Hakka singer, the children created a Hakka graduation music “Star of the Sky” and performed it during the festival with the Golden Melody Award winner, 9m88. In this way, the students learn both from the classroom, and from the stage, connecting with culture, music, creativity, teamwork and more through such work creation. They have gained a sense of identity and confidence. At the same time, they have also inherited the culture of their homeland while they have been ignited to explore infinite possibilities for the future.

- (IV) Participated in the “Taiwan 3D Cinema Island Tour Plan” to bring positive energy to rural areas.

Since 2022, Cathay Financial Holdings has joined the Taiwan 3D Association to participate in the “Taiwan 3D Cinema Island Tour Plan” with a 3D movie truck as the platform. The goal is to bring Taiwan's ocean views, people's culture and life stories to the countryside, and to convey life and environmental education concepts through images. The company also advocates anti-drug and campus safety policies, and leads students to face tough challenges with positive energy, instilling morally sound values. In 2024, the Company organized 167 performing tours, with nearly 14,000 people watching, and called on 279 Cathay volunteers to participate in nearly 665 hours of service. The Company hopes to help children in rural areas see Taiwan from a variety of perspectives through the power of image education, and help them see the future and hope. Each school expresses its appreciation for the action support from Cathay, as students can remind themselves to love their home and realize their dreams.

- (V) Partnered with the NBA to organize the Taiwan International basketball game - “Cathay NBA High School International Invitation Games 2024”.

In order to implement the social cultivation mission and encourage young people to pursue their dreams, since 2010, Cathay and NBA have been official marketing partners, and the Taiwan-3-on-3-Basketball-Contest has been held. Over the years, more than 30,000 students have registered. Cathay has also sent many outstanding student teams to the United States to watch NBA games in person.

In 2024, Cathay invited the famous basketball player, Tony Parker, and the French basketball player, Jacques Dominique Wilkins to come to Taiwan. From April 26 to April 28 of the same year, the “Cathay NBA High School International Invitation Games 2024” and “Future Star Challenge” were held. The event was attended by more than 6,600 basketball fans. The final game was won by the elite basketball players of the Taiwan team. A student from Songshan High School, Lin, Tsung-Hsiu, won MVP of the game, bringing the game to a perfect end.

Through this joint venture with the NBA brand, we host international sports competitions, hoping to encourage young people to achieve their dreams through the spirit of healthy life, hard work and persistence, and to promote the value of health brought by sports to the public, and to help international sports enter Taiwan, so that Taiwan can be seen by the world.

- (VI) The Company organized the “Cathay Youth Festival - Senior High and College 3-on-3-Basketball-Contest”.

To boost enthusiasm for sports on campus, cultivate the sports habits of young people, and strengthen the team's spirit, the 3x3 basketball game was held for the Cathay Youth Festival - Senior High School and College. In 2024, 4 regional preliminary games and 1 final game were held, with a total of 4,376 participants. Since 2024, we have also worked with local police units and the Criminal Bureau to conduct anti-doping and anti-corruption propaganda during the pre-competition and final competition to fulfill our corporate social responsibility.



## ■ Cathay Life Insurance Co., Ltd.

Cathay Life encourages employees to apply their “People-Oriented” philosophy not only to provide insurance service, but resolve social and environmental problems as well. The Company fulfills its social responsibilities by envisioning itself as the force that stabilizes society and protects homes:

- (I) The company works with the Group's companies in organizing various charity efforts, and makes donations as part of its corporate citizen duty. Its efforts included:
  - 1. Arts and culture: Cathay CloudGate Bar, Nation-wide children’s drawing contest and New Century Potential Painting Exhibition
  - 2. Sports: The “Cathay Youth Festival - Senior High and College 3-on-3-Basketball-Contest”

- (II) Sports promotion:

Cathay Life has been investing in Taiwan's sports activities for a long time. In 2024, the Cathay's women's basketball team won the title again at the Women's Super Basketball League (WSBL) and completed the 18th consecutive year of the WSBL. In addition to winning the Social League A title for 13 consecutive years, the team has achieved a total of 31 championship victories. Cathay has also cultivated several outstanding women's table tennis players to represent the country in the Olympics, the World Cup, and the Universiade. The goal is to show the world Taiwan's strength.

- (III) Student Education Development:

Students’ dream project: The Company organized the 11th term of Student Dream Come True Program, and a total of 24 schools were selected for the program. The dream come true themes were diverse, including sports, music, drama, and science, and the total dream come true fund reached NT\$4.54 million. The Company subsequently organized the Dream Come True Record Award, in order to encourage the dream come true project team to video the process of realizing one’s dream. A total of eight elementary schools were selected, and the total prize reached NT\$210,000.

- (IV) Supplementary class:

To look after children in rural areas or disadvantaged families, the Company has set up after-school child care groups in Keliao Village, Kouhu Township, Yunlin County (26 children), Let Love Fly Supplementary Class, Xiulin Township, Hualien County (29 children), Twilight Box, Taipei Wenshan District (51 children), and Penghu Xiyu Learning Class (50 children) to provide care for disadvantaged children, provide care for learning and daily life, improve the confidence of children in learning, and help them develop positive character and proactively live their lives.

- (V) Care for young students:

- 1. Cathay Excellence Incentive Program: The purpose of the program is to provide rewards for outstanding students and the “Characteristic Incentive Teams,” which are established to encourage engagement with topics such as “Environmental Sustainability Actions,” “Education and Social Development,” “New Emerging Topics,” and other ESG-related issues, ultimately generating proposals for “Characteristic Research” or “Public Welfare Proposals” that demonstrate innovative thinking and promote positive societal change. A total of 26 teams received the award. The maximum reward for each group is NT\$200,000. The "Outstanding Scholarship" rewards for 100 high school students from disadvantaged families with outstanding performance, amount to NT\$50,000 per person.
- 2. Winter Warmth Activities: Cathay has been conveying positive energy to children in remote villages in Taiwan for 23 years. The Winter Warmth Activities bring joy and hope to children in remote areas, and cultivate their love and good faith to give

something back to the country's children. In 2024, the Company reached out to 154 schools nationwide to take care of 12,500 children, a record high.

(VI) New Immigrant Second Generation Care:

Since 2010, the Company has organized the “New Immigrant Second Generation Diversity and Intellectual Development Course” with the Eden Social Welfare Foundation to design courses for young people of the second generation, and guide the young people of the second generation to utilize their dual cultural advantages to give back to the community and public welfare services. In the past 15 years, 18,700 people have participated in the course, demonstrating their confidence and leadership. In response to the Ministry of Education's Elementary and Junior High School International Education Middle-Term Plan, the Company has sponsored the “English/Vietnamese Language Camp” inviting 30 teacher and student volunteers from Lawrence S. Ting School in Vietnam to come to Taiwan. The camp places students in an immersive learning environment for English and Vietnamese languages for a week. It helps to widen international vision for the second generation in Taiwan learning about the Vietnamese language, history and culture and enhance their competitiveness in the future.

(VII) Care for the Elderly:

In the long run, “Age-Friendly Older Adults” will be the focus of charity projects promoted by Cathay Life. In line with Cathay Life's sustainability vision, the three main axes of “climate, health, and development” will be combined, and resources from various fields of production, government, academia, and local community development associations will be used to promote a series of care actions for older adults. The Company has joined with local forces to promote local revitalization, green healing, health promotion, and anti-fraud awareness. The Company also cares for older adults in society through diversified programs, and enables them to leave their homes, engage with society, and create a beautiful life. The Company also cooperates with neighboring universities to build a bridge between corporate CSR and university USR, to create a beautiful life for older adults. The Company held more than 150 senior care activities in 2024, and the number of beneficiaries exceeded 10,000 people.

(VIII) Promotion of micro insurance:

By the end of 2024, Cathay Life Insurance had more than 167,000 effective contracts, and provided approximately NT\$57.8 billion in insurance coverage. Since its launch, the Company has helped more than 1,500 families overcome hardship.

(IX) Other charity activities:

1. New Generation Anti-Drugs: Since 2017, Cathay Life has promoted campus sustainability programs, and has listed anti-drug efforts as a core issue. It focuses on helping students and young people stay away from drugs by promoting the concepts of identifying, refusing, and opposing drug use. In 2024, the “Anti-Drugs and Anti-Corruption 1+1” project was launched to promote anti-drugs efforts in an easy-to-understand manner for students through competitive e-sports, a competitive desktop game, anti-drugs advocacy, and seminars. More than 356 sessions were held, and 227 schools participated, with more than 27,000 participants, to encourage students to get away from drugs. In addition, the Company has been working with the “National Police Agency, Ministry of the Interior,” “K-12 Education Administration, MOE,” “Taipei Criminal Investigation Bureau,” “H.D.A Professional Special Performance Group,” “Againstwind,” and “Central Police University” to promote anti-drug efforts on campus. It is worth noting that the long-term anti-drugs investments of Cathay Life Insurance won the “2024 Anti-drugs Organization Award” from the Executive Yuan, which is the only company to be awarded in the financial industry. The award was personally presented by President Lai Ching-Te. This is the second time that the Company has earned this award. In July 2024, the Company participated in the “2024 Anti-

Drug and Anti-Corruption Campus Security” exhibition event organized by the Ministry of Education and the Taipei City Government. In the Xinyi District Chianti Avenue Plaza, Big Tree Elementary School's “Anti-Drug Hallway” and “Anti-Corruption Hallway” were exhibited to raise the awareness of drug abuse risks and fraud prevention.

2. Planting trees: In response to the activity of “New Forest Revival” sponsored by the Taipei City Government in 2022, the Company has sponsored the planting of trees in the Yuanshan Scenic Area for three consecutive years. On March 12, 2024, the Company participated in planting trees in the Muzha Zoo sponsored by the Taipei City Government, and supported the production and promotion of a green living environment with carbon reduction.
3. Welfare for Disabled People: The Company sponsored the disabled performance group “Mixed Disabled Arts Group” and a total of seven sessions of public welfare performance were organized at school campuses, prisons, and communities. In addition to providing a performance stage for disabled people to perform talent shows, the group also aims to convey the event philosophy of treasuring life and value to teenagers of senior high schools and vocational schools as well as prison inmates through storytelling of group member’s personal stories. The event has inspired more than 2,000 people.
4. Low-income Household and Medical Subsidy: Cathay volunteers visited a total of 146 disadvantaged households in 2024, and the Company provided approximately NT\$2.341 million to assist case households to overcome living difficulties. In addition, the Company also collaborated with village offices and local volunteer groups in order to continue to promote micro-insurance for medium- and low-income households and disabled people, and to provide subsidies for emergency medical care for disadvantaged children. A 7.2 earthquake occurred in Hualien on April 3, 2024. The first donation of NT\$30 million by Cathay was made to help the affected people. The Company also initiated the immediate care and visitation service for the volunteers of Cathay to help 27 affected households and distribute NT\$330,000 of emergency relief and support money to help the affected households survive the hardship.
5. “Tree Buy Charity Sale of Love”: Partner with the Tree Buy Charity Sale of Love, and launch the “Charity Chinese New Year Meals - Let Love Be Food” charity sale plan to help more than 1,500 disadvantaged families enjoy the family Chinese New Year reunion dinner.
6. Blood Donation in Summer: Cathay has cooperated with the Taiwan Blood Foundation to organize blood donation activities to relieve the blood shortage in summer. The event marked its 25th year in 2024. In 2024, 648 blood donation events were held throughout Taiwan, and 64,315 bags of blood were collected. The number of blood donors reached 42,118 persons, and the cumulative number of blood bags has reached nearly 700,000 bags in the past 25 years. The Taiwan Blood Foundation thanked Cathay for its blood donation for 25 years by awarding a thank you trophy to continue this enthusiasm for charity and love.
7. Charity auction: Cathay Foundation has been working with other non-governmental organizations (NGOs) to promote charity for a long time. In 2024, one charity auction was held in Taipei, Taichung, and Kaohsiung. The Foundation worked with the Eden Social Welfare Foundation in Taipei, YMCA in Taichung and Kaohsiung for these events. The total sales amount of the three charity auction events exceeded NT\$3.06 million. The income from the charity auction was fully used to care for disadvantaged local residents, second generation of the new residents, and the disadvantaged children of indigenous people. The proceeds from these events helped to reduce their learning gaps.
8. Extraordinary donations and volunteer services: sponsoring various social welfare activities, subsidizing college service clubs, providing emergency relief, and relief

for disasters; the establishment of the Cathay Model Volunteer and Charity Association, with a total of 32 teams of the model volunteer team proposals in 2024, and 8 teams were selected to provide dream funds. The theme covers children's ability to develop, friendly environment, care for older people, women's development, and support for disabled people, to implement the three core sustainability of Cathay, namely climate, health, and development. The dream funds have paid for over NT\$800,000, demonstrating the care of Cathay's volunteers for this land and disadvantaged groups. In addition, a "Charity" stall was created for the 2024 business appreciation ceremony. The event was organized by the ANDREW Charity Association (also known as the Andrew Food Bank) to explain the "Food Box Charity Implementation and Beneficiary" to outstanding sales representatives. The event raised NT\$180,000 in donations on the spot. The event was used to show the support of the sales representatives of Cathay spirit, "outstanding and more committed", in supporting the growth of disadvantaged children.

■ **Cathay United Bank Co., Ltd.**

- (I) The Bank supports the charity activities of the "Elevated Tree Project" organized by the Cathay United Bank Foundation, and pays attention to disadvantaged, remote and children's education and learning issues, in order to fulfill its corporate social responsibility. The charity activities of the "Elevated Tree Program" are described as follows:

1. Elevated Tree Program:

In 2024, the Company donated scholarships to 5,907 outstanding and financially disadvantaged junior high school students in Taitung County and ten other counties and cities, and 17 schools in Yilan County, including basketball teams at Nanao Elementary School in Yilan County, to promote sports education in weight-lifting, judo, archery, and basketball. The Company also supported the "Cathay United World Youth Village Youth Football Invitation" and "Gothia Cup Youth Football Invitation" held in rural areas. In addition, to continue the concept of sustainability, the Company sponsored the "Partners for Creating a Blue Ocean" project for Chiu Ming Junior High School in Yilan County, connecting 36 schools on offshore islands, and completing a tour around Taiwan, to join hundreds of teachers and students to carry out ocean conservation actions. This project helps students promote environmental protection and marine education. It also combines canvas sailing sports items to incorporate the educational philosophy of the Elevated Tree Program into the marine sustainability action, and cultivate students to become citizens who appreciate the marine environment.

2. Cathay Charity Group events:

In order to continue the charity philosophy of the Elevated Tree Program, the Company continues to participate in the Group's charity activities such as "Cathay Excellence Scholarship Program", "Cathay Scholarship Program for Children", "Care for Rural Kids After School", and "Sending Warmth in Winter", and prepares the annual report of the Cathay charity group.

3. Elevated Tree Program Paintings Exhibition:

To promote domestic arts education, the Cathay Art Center organizes art exhibition and art seminars, in order to allow the general public to have the spaces to learn arts and to visit exhibitions free of charge. In 2024, a total of 10 art exhibitions and 4 art seminars were organized, including the "4th Elevated Tree Program Charity Artist Exhibition" inviting amateur artists to exhibit, contributing to supporting children in rural areas. In addition, the Company supports outstanding domestic artists to create the "2025" Group's art desk calendar and greeting cards, so that

everyone can appreciate the beautiful art while at the same time expressing their blessings through art.

(II) The Bank's main environmental protection activities in 2024 are as follows:

1. The President is responsible for leading the employees in reaching the zero carbon operations targets and KPI. Commitments are made towards achieving the use of 100% renewable energy (RE100) for all of the operating locations across Taiwan by 2030. The statistics for 2024 show a total of approximately 9.509 million kWh of renewable energy used, accounting for 21.5% of total electricity usage.
2. The Company encourages its employees to take actions to protect the environment, such as energy conservation and carbon reduction. The Company has been holding e-sports competitions since 2017, and has been contributing part of the energy conservation amount to environmental protection or social charities. In 2024, the Company assisted the Taipei Happy Mount Home for People with Disabilities to replace old lighting equipment, working together for environmental protection.
3. The Bank has been active in digital services, which reduced paper consumption by 30,635 sheets in 2024, which is equivalent to saving 36,762 trees.
4. In response to the United Nations Sustainable Development Goals SDG 14 Conservation of Marine Ecosystems and SDG 15 Conservation of Terrestrial Ecosystems, the Company held five beach cleaning and one removal of invasive species environmental education activities in 2024. A total of 415 colleagues and suppliers participated in the six activities, with a total of 1,162 kg of marine garbage and 172 kg of invasive species plants - mile-a-minute weed - removed. In addition to environmental protection, the Company also organized an environmental education practical experience to cultivate sustainable seeds within the Company.

(III) Below is a summary of the main health promotion events the Bank organized in 2024:

1. Group weight loss campaign: The Group organized a series of physical activities and online courses under the "Weight Loss Program" to help employees develop a better understanding of their health. The campaign also helped them develop good exercise habits through a combination of weight loss and online nutrition and exercise courses. A total of 2,642 people participated in the campaign, 2,017 of whom completed the course. The total weight loss was 7,762.99kg. The Company also made a donation of NT\$100 for every kilogram of weight loss. In the future, the Company will continue to promote health among its employees through weight loss.
2. Group family activities: In support of the group's environmental protection initiatives, the Group is planning to organize nine family activities between June and November. The theme of the 2024 event is "environmental awareness in daily life" and uses the idea of guiding children through role playing and help them learn new things. It is hoped that children can learn about environmental protection and love for the earth from a very early age, and take the first step towards a sustainable family environment. The event has attracted 670 participants with a 96.51% satisfaction rate.
3. Hiking activities: In response to the "Step towards 100 million" campaign by Cathay Life Insurance, 60 billion steps were raised during the event, and NT\$7 million was donated to support the charity cause. In 2024, 273,000 people from all over the country participated in the event, and the cumulative number of steps reached 72 billion. The bank also held the "Health GO Happy" bank hiking activity, and added an incentive mechanism to encourage employees to participate. The total number of participants was 5,143 people, with a participation rate 89% higher than the previous year.

4. Blood donation activities: seven blood donation activities were held in northern, central and southern Taiwan in 2024. The overall satisfaction reached 99.4%, and 1,014 people successfully donated blood, with 1,439 bags of blood donated.
  5. Health seminars: In order to enhance the health awareness of colleagues and to take care of their physical and mental well-being, six health seminars and five stress relieving activities were organized in northern, central and southern Taiwan in 2024. Colleagues can effectively relieve stress through seminars and hand-made courses. The total number of participants was 370 and 237 people, respectively, and overall satisfaction reached 98%.
  6. Mid- and high-age health promotion activities: The proportion of mid- and high-age employees in the workplace has increased year by year. To promote health promotion for mid- and high-age employees, the company organized mid- and high-age health promotion activities, invited professional medical personnel to give courses and tests, and held one test and two seminars. The total number of participants was 114 persons, and the overall satisfaction was 97.9%.
  7. Influenza vaccination for public expenditure: Three sessions were held in 2024, with 212 registered participants and 139 actual participants.
  8. In order to implement the maternal health protection plan for women, the Company has organized maternal protection plan activities since June 2016, providing colleagues with childbirth gifts, and providing related assistance based on the needs of their children. In 2024, a total of 189 pregnant colleagues have applied for childbirth gifts, 188 post-childbirth baby care gifts, and 73 men have applied for children blessings gifts.
- (IV) With respect to the energy saving and carbon reduction results of its branches, the Bank launched the zero-carbon operation transition plan in 2021, including implementation of labeling of air-conditioning zones, annual energy-saving contests, energy-saving alarms before long weekends and a shut-down reminder during off-hours on the visualized energy management system. In 2024, a total of 38,854 kWh was saved by turning off major air conditioners.
- (V) To promote the concept of sustainable investment, the Bank has planned ESG funds and themed web pages. The number of ESG fund investors has exceeded 20,000 people, and the investment scale has reached NT\$11 billion. In addition, there are more than 320,000 users who use the goal-oriented financial planning tools to calculate their retirement life.
- (VI) The Bank is committed to promoting the concept of long-term investment, and has successfully increased the number and percentage of regular and fixed amount investors through the continued promotion of the special project of the fund service fee discounts. Currently, the number of regular and fixed amount investors has exceeded 220,000 people, which is more than half of the number of wealth management customers.
- (VII) Launched “Wealth Management Magazine” with an AI reading function, transforming professional financial knowledge into key points that the general public can easily understand. The website, EDM and LINE push messages, enable the general public to receive clearer and easier-to-understand financial information. The number of people who received the messages for the first time has exceeded 450,000 people.
- (VIII) The global investment trend forum was organized, during which PIMCO, Bridgewater Associates LP, and other famous international investment institutions and the Chief Economist of Cathay United Bank, Lin, Chih-Chao, shared the macroeconomics and investors' investment trends. The total number of views was over 5 million.
- (IX) The Bank is actively supporting the “Trust 2.0” program by the Financial Supervisory Commission to realize the trust financial inclusion value, and has developed a diverse

range of innovative trust products and services. Through innovative thinking, and the three major strategies of “scenario-based service, product diversification, and contract modularization”, the Bank introduced a new generation of trust products and services that are tailored to customers' needs, such as: Trust service for young people such as insurance and child care trust, which can assist them to manage and secure their insurance funds, money, securities, real estate and other properties; trust service for older customers, such as, micro elder care trust, easy retirement trust, care trust, pre-need trust, and inheritance trust. These products and services can assist customers to plan ahead for their life journey realizing their dreams in taking care of themselves and their families and to pass on their wealth to future generations.

- (X) The Bank seeks cross-industry partnership, thus expanding the service scope. Cathay Life and the Bank jointly launched the “Insurance Claims Trust Joint Marketing” service, which is the first innovative financial service offering one-stop service for “insurance application, trust and insurance endorsement.” Integrating with the Group’s resources in the promotion of the idea of undertaking insurance payments on a trust platform, the Bank has helped the general public boost their financial health and attain the goals of asset protection and transaction security.
- (XI) Provide channels with the cloud bill signing and online (internet) transaction functions and help channels upgrade systems for electronic invoices in order to significantly reduce the printing quantity of bills and invoices.
- (XII) Through the promotion of green consumption and green commuting, the Bank guides customers to a green lifestyle and reduces carbon emissions. Examples are: the Bank collaborates with high-speed rail, Taiwan Railways, Taoyuan MRT, GoShare, and Tesla Charging to offer credit card discounts and rewards.
- (XIII) The Bank has set up financial service stations to provide digital finance, automated equipment teaching, and digital account application services to local residents in Taiwan with a mobile service model. This is intended to improve financial service quality while reducing the threshold for consumers to use FinTech products. As of December 2024, the service area has covered 185 towns and cities, and the cumulative number of people served has exceeded 153,000.
- (XIV) In addition to realizing the financial ecosystem of cross-industry cooperation, the Bank also uses payment tools (credit cards/accounts), membership cards, and invoices universal carrier to complete three actions in one transaction, which significantly improves customer experience and reduces the waste of paper and labor power. The Bank is gradually expanding the formation of a sustainable ecological circle. The authority's anti-money laundering measures are being carried out, and the Bank is providing NCCC verification platform services to improve the security of card transactions at special stores. In response to fraud cases, adjustments were made to the transaction control of the special stores, such as: 7-11 rejects the transactions of game points, the Bank consolidates consumer confidence in the convenient transactions of money in the wallet, in order to maintain the sustainable payment ecological circle.
- (XV) As of the end of November 2024, among the top few financial institutions that have set up ATM facilities, the number of ATMs for the use of people with visual impairments provided by the Bank was 853, the most in the industry.
- (XVI) Cathay Financial Holdings has adopted the three main sustainability aspects – “Climate, Health, Development,” and it has implemented the Development aspect by dividing into career development and social development and attained significant results summarized as below:
  - 1. Career development: Committed to talent cultivation and development for a long time. It views its employees as important customers, and with the development goal of “Raising from Early Age, Reshape Existing State and Build New Sustainable Talents,” it aims to integrate both talent development and digital transformation by implementing the four major strategies:

(1) Elevate employees' skills:

To continue to improve the key abilities of employees, the Company has established different levels of training plans based on the job category and grade, and continues to introduce various physical and digital learning resources to build a comprehensive career development system to cultivate talent in different roles, which is the key to the diverse development of employees.

(2) Reshape employees' skills:

In response to future changes and corporate digital transformation strategies, the Company promotes a re-education plan, increases digital abilities (AI, agility) and the learning coverage rate of sustainable literacy of employees, and implements the concept from establishment to practice, in order to enhance the ability of employees to face future challenges.

(3) Build an echelon for leadership:

To build and cultivate diverse and integrated organization talent, regular monitoring on the talent inventory for every grade level and various cultivation plans are carried out to provide the required skill sets for operations.

(4) Diverse and inclusive workplace:

To build a diverse and inclusive working environment where employees can realize their full potential, we respect the uniqueness of each employee. Through the establishment of a diverse and inclusive internal and external network, and establishment of measures for uninterrupted learning resources, we help employees to continue learning despite the stop working (go on leave) state during the slowdown period.

2. Social development: In Taiwan, one out of every two people is a Cathay Group customer; therefore, the Bank has been active to implement sustainability by utilizing the Group's resources and collaborating with diverse strategic partners to facilitate social sustainability, and to help youth and disadvantaged people develop knowledge and skills in the hope of building an inclusive and equal society.

(1) Youth development:

To help young people learn about themselves and explore future careers as early as possible, the Bank has actively cooperated with National Taiwan University Hospital to provide young people with "financial field exploration" and "diversified career skills" and strengthened practical training during internship periods. By participating in actual business promotion, the interns can understand the Company's strategic direction and shorten the gap between education and practice, and improve both soft and hard skills in the workplace. The Bank offers a variety of training programs to help develop employees in different departments of the Bank, including the summer internship Cathay Intern Program (CIP), which focuses on professional training for the staff of the Bank, covering information, digital finance, finance, and operation planning. In response to the cross-disciplinary planning and digital data talent of Cathay United Bank, the Bank has expanded its training to include students from non-financial management departments, in order to provide them with diverse vision and ideas for the Bank. The Bank also cooperates with academic institutions to offer an internship program, the Cathay Seed Program (CSP), to help students learn the practical content of banking work as early as possible. The first-line business-related departments are set up, including branches, operation centers, finance, corporate banking ARM, personal finance ARM, overseas planning, information, and so on. The goal is to provide a learning workplace experience and to observe the potential of students during the internship. Practical training is also provided to strengthen the preparation of interns for working in the Bank after graduation. In addition, the Bank arranges a class of training for the JAVA programming language, and recruits non-traditional information background people who are



willing to perform information-related work. Through 15 weeks of programming language training and practical planning, the trainees can develop programming language skills, and then cultivate them into basic developers to become information professionals in the company.

(2) Care for disadvantaged:

To eliminate social inequality, Cathay United Bank continues to invest resources in supporting children's education in rural areas, and recruits colleagues to serve as teaching volunteers. The professional functions of the financial industry are exercised to establish the correct money usage concept for children in rural areas, so that children can identify what they want and need, and achieve their dreams through wealth management plans. In addition, the Bank has also been sponsoring the education and sports development of children in rural areas by giving care and donating money from the society for many years. The Bank has also been sponsoring the education and sports development of children in rural areas based on the principle of, "Teach a man to fish and you feed him for a lifetime," to provide children with equal and quality education.

- (XVII) To provide friendly and bilingual financial services, the customer service hotline of Cathay United Bank offers an English service that can be directly transferred to English language-skilled staff. The bank has also provided a smart customer service chat system since 2019 to provide financial services to customers with disabilities through text. For advanced needs, the Bank may also be contacted during the text-based service hours (9:00-20:00) to request for related services, and implement universal finance. Meanwhile, to provide comprehensive credit card loss service, the Bank added a 24-hour credit card loss service 0800 hotline and the official website credit card loss page in September 2024, to provide comprehensive protection of customers' card security.

■ **Cathay Century Insurance Co., Ltd.**

- (I) The company works with the Group's companies in organizing various charity efforts, and makes donations as part of its corporate citizen duty. Its efforts included:
1. Arts and culture: Cathay CloudGate Bar, Nation-wide children's drawing contest.
  2. Sports: The "Cathay Youth Festival - Senior High and College 3-on-3-Basketball-Contest".
- (II) The Company's devotion to developing core functions of property insurance business and provision loss prevention related services have also received recognition and positive feedback from society. Its efforts included:
1. The Company held two physical and one online symposia on corporate risk and loss prevention in 2024. Symposium topics included corporate supply chain risks, supply chain information security risks, and corporate asset risk management. As of 2024, a total of 2,694 business partners and a total of 4,860 people participated in these symposiums.
  2. In an attempt to provide children with safety education and teaching materials, Cathay Century Insurance partnered with the National Taipei University of Education to develop tabletop games that conform with the 2019 curriculum guidelines and principles. The games can be used by children in schools and teachers to strengthen their safety awareness in the event of an accident, and reduce the probability of injuries and accidents. In 2024, a total of 14 safety education tabletop game sessions were organized, reaching over 200 participants.
  3. By 2024, a total of 453 sessions of "Unexpected Bicycle, Unexpected Rider" traffic safety advocacy activities have been organized over the years up till 2024 on campus to promote traffic safety for bicycles and motorcycles. Digital technologies such as Augmented Reality (AR) and Virtual Reality (VR) are also used to promote safety education. Common traffic accidents are incorporated into

the game to simulate real risks on the road in an engaging way. Students can interact with these virtual scenarios to enhance their awareness of traffic risks.

4. The website of the “Zero Incident Institute” is a “one-stop loss prevention education platform”, continuously promoting proper safety awareness. The driver online education and testing system is used to assess drivers’ traffic safety competence of psychological, cognitive, and physical aspects, and the campus event promotion campaign is combined with Online To Offline (O2O) to enhance its effectiveness. In addition, to strengthen the risk management awareness, the Company has been promoting precise marketing and lottery draws among the customers, and has communicated the concept of risk to the public through the interactive quiz-based prize draws. As of 2024, the website had accumulated over 2.8 million page views.
  5. In 2017, the “Campus Traffic Risk Map Project” was launched to help students understand traffic conflict hot spots on campus. The defensive driving strategy was also used to fully protect students from traffic hazards. In 2024, the application of the campus traffic risk map was continued by the National Chiayi University and the Nanhua University. A “Return Home, Safety” traffic safety short film competition was held. Through the power of industry-academia integration, the influence of the campus traffic risk map was expanded, and students were encouraged to use the WebVR version of the campus traffic risk map to take snapshots, and attract more students to participate in the event. More than 1,000 likes were received. In 2024, the three road risk points in the reference report of the Chiayi County Government will be improved to reduce transportation risks.
- (III) Through the Cathay three steps for disaster prevention: prevention, survival and transfer, the company assists in the facilitation of correct disaster prevention knowledge among in the general public. The Company has launched diverse safety and insurance educational media, fire prevention and responsive escape safety manual, store safety checklist, etc. in order to fulfill the responsibility of insurance knowledge education for the general public in the society.
- (IV) The company continued its sponsorship of the “Cathay Century Insurance Triathlon Team” as a means to support the development of young triathlon athletes in Taiwan, while convey proper sports knowledge and promote healthy sporting habits. In 2024, the Company won 14 champions, and supported 10 runners-up, and 6 third places.
- (V) The Company continues to pay attention to disadvantaged groups and promotes insurance in accordance with policies. In 2024, the Company was awarded the “Micro Insurance - Excellent Sales Award” and “Residential Earthquake Insurance - Third Place Award” by the competent authority, providing basic protection for disadvantaged groups and the public.
- (VI) In 2024, Cathay Century Insurance worked with the private Guannen Nursing Home Foundation and En Yang Home Nursing Institution to promote in Wugu District, New Taipei City. The Company promoted risk education courses to 80 community residents (including older people, middle-aged people, and the general public) to establish pre-need knowledge. The Company has been certified by the Ministry of Health and Welfare, and is the first property insurance company to work with a long-term care institution to promote and to protect the society of higher-age people.

#### ■ Cathay Securities Corporation

- (I) The company has responded to Cathay Financial Holdings’ call for “Corporate Sustainability” and organized various types of charity events, including:
1. Environment and sustainability: The company joined the Group’s subsidiaries in hosting the “Cathay Sustainable Finance and Climate Change Summit,” participated in the “Taiwan Climate Action Exposition” and the “Asia-Pacific Forum & Exposition for Sustainability” and contributed to sustainable finance.

2. Education and arts and culture: With regard to education, the company joined the Group to host the “Cathay Youth Festival” exhibiting its determination in the commitment of Cathay to youth issues and the determination to the new generation. In terms of arts and culture, the company sponsored the “Cathay Cloudgate Bar” for the purposes of giving back to community and deepening culture influence, and hosted the “Nation-wide Children’s Painting Contest” to develop cultural awareness among the new generation.

(II) Employee care and social care:

1. The Company has been actively promoting employee health activities. In 2024, the Company continued to work with Cathay Financial Holdings to organize the “Step towards 100 million” hiking activity, to implement the balance of employees' physical and mental well-being in their work. Cathay Securities and Cathay Futures have also been promoting the “Walk to Save Seedlings” hiking activity. All colleagues have accumulated about 800 million steps in two months, and the Company has allocated a corresponding amount. The Company has planted sea lettuce and five-stamens China laurel in Shalun, Tamsui, and the sapling supplier has formulated a subsequent maintenance and repair plan to ensure that the base can be kept green, which will contribute to environmental protection and seaside typhoon damage mitigation.
2. In 2024, the Company will celebrate 20 years in business. A series of employee feedback activities will be planned. The employee makes self-proposal of various creative projects and implementation, including voluntary activities and dream fulfillment programs. The dream fulfillment program provides customized dream fulfillment opportunities to help employees realize their goals. A dream fulfillment exhibition was held for two colleagues. The colleagues not only explained their creative ideas, but also showcased their work in the company for their colleagues' appreciation. In addition, Cathay Securities has made these works into a dream desktop calendar, and disseminated the Company's culture to customers and other colleagues, giving employees the dream stage. At the same time, Cathay Securities has deeply realized the spirit of realizing the dream and giving back to society.
3. Cathay Securities organizes internal seminars and workshops for employees from time to time. Based on the rapid changes in the international and domestic market, the company provides digital agility, career development, and mental and physical health seminars. Digital innovation and sustainability are incorporated into the corporate culture.

(III) ESG Responsible Investment:

1. The Company fulfills the responsibility of fund intermediary, guides the capital market fund to investment in ESG and low carbon emission investment subject matters, and actively assists in the financing of environmental protection and green enterprises. The Company's investment has made a difference in terms of climate, environmental protection, and social friendliness. The Company has also been selected as an outstanding investor by the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
2. The Company will continue to cooperate with National Taipei University to provide institutional investor investment ESG research services, and will introduce ESG into the Cathay Securities App, a natural person stock selection service. It has also become the first in the industry to launch the “Sustainable Section” in the Cathay Securities App to provide investors with the ESG rating of the stock inventory of Taiwan stocks. In 2024, the user base exceeded 500,000 people, and the number of times the App was used exceeded 2 million. The service will be optimized every year.

(IV) Inclusive financing:

1. As a digital securities firm, Cathay Securities continues to optimize digital services based on customers' needs, and introduce new and convenient services in its App. Take the Taiwan stock market, for example. In 2024, the Company will be the first to offer “dividend re-investment” in the Taiwan stock market, to help investors more efficiently use the flexible stock dividends in their hands. This function has been launched for less than a year. The number of successful deductions has exceeded 145,000, and more than 530,000 items have been invested.

In the re-consigned investment of US stocks, in order to facilitate investors to invest US stocks in a fragmented manner, Cathay Securities has the first US stock fragmentation service in the industry; the minimum order amount has been reduced from US\$1,000 to US\$100. Investors only need to buy the US stock target with US\$100, to meet the needs of small investors in the overseas market, and to improve the efficiency of capital utilization. In the future, Cathay Securities is committed to providing more inclusive financing services to a greater number of investors continuously.

2. In order to fulfill corporate social responsibility, Cathay Securities has introduced a new “diversified social prosperity plan” that aims to promote anti-corruption and securities trading knowledge in Miaoli Nanzhuang Village, Fenyuan Village, Changhua Coastal Village, and other locations in Hualien County. In 2024, the Company will be holding more than 40 physical events, and introducing digital interactions and learning to exert its influence as a securities dealer and eliminate digital shortcomings. Beneficiaries include more than 1,700 older adults, indigenous people, and students in financially disadvantaged groups.
3. Cathay Securities has been sponsoring the “2024 National Taipei University Investment and Wealth Management Camp” based on its commitment to promoting financial knowledge and education. The professional seminars supported by the Company help young people improve their investment and wealth management knowledge, inspire young people to be interested in the financial market, and help them develop a firm foundation of financial knowledge. The Company also assists society in establishing a sound investment culture.

## ■ Cathay Securities Investment Trust Co., Ltd.

### (I) Financial Health Promotion:

1. With the growing demand for investment and wealth management among the general public, Cathay Securities hosts online and in-person seminars for investors to promote investment and wealth management knowledge and solutions for retirement planning realizing the universal finance philosophy. In 2024, nearly 80 seminars and forums were organized with a total participant group of nearly 10,000 people.
2. In addition to the seminars and events, the Company leveraged digital creativity to produce 32 long and short videos in 2024, along with a weekly podcast offering timely investment insights and new product information.
3. To enhance user experience, dedicated ETF-themed websites such as the exclusive “ETF Cafe” and the “Enjoy Retirement” simulator were developed to cater to diverse audience segments with tailored financial advice.

### (II) Youth development:

1. Cathay Securities Investment Trust is committed to promoting financial education for young people. The topics covered include ETF financial knowledge, mutual fund wealth management, ESG responsibility investment, and investment practices. In 2024, the Company held more than 10 financial team and campus seminars, which reached more than 600 students. Most of the participants praised

the courses, and most of the students expressed their positive impact and willingness to recommend others to participate.

2. For the different needs of the general and business administration courses, the theme of the Cathay Securities Investment Trust seminar is from simple to deep, planning a variety of topics such as “Wealth Management, Industry Aspect, ETF Market Development Trend, ESG Investment and Green Sustainable Finance, Investment Consulting Practice” to establish a professional wealth management concept for young people, and lead students to start financial planning as early as possible through simple investment methods, achieving a healthy wealth future. The seminar also cultivates outstanding financial talents in the future, leading them to understand the market development and overview.
3. In addition, the “High School Financial and Economic Education” initiative was launched. In 2024, the Company will be targeting Jingmei Girls High School, Dazhi High School, Xisong High School, Jinou Girls High School, with the theme of “financial and economic literacy” as the main topic. Meanwhile, the Company will cooperate with the financial team of National Taiwan University and National Chengchi University to organize corporate visits to inspire students to take care of wealth management, connect with international trends, and build a financial talent pool in Taiwan.
4. The Company actively cultivates talent and promotes the summer internship program, and is committed to cultivating digital investment and ESG talents in the future, and promoting the close integration of industry and academia. In 2024, a total of 15 interns were recruited for the summer internship program. Nearly 200 outstanding students were attracted to the program and approximately 8% of them were recruited.

During the internship, 17 sessions were arranged covering core courses such as industry trends, market analysis, product introduction, professional investment application, and soft power cultivation. The total number of hours accumulated was 21 hours. In addition, the Company held a results competition at the end of the internship. The theme was focused on AI applications, and encouraged students to think about innovative solutions from the perspectives of mobile payment, digital finance, and green finance of the investment trust industry in order to recruit outstanding talent. At the end of the internship, 3 outstanding interns could be awarded pre-employment offers, allowing them to join the Company within six months of graduation without further recruitment process. The Company will invest in the digital investment and ESG field talents needed for the Company's development, and strengthen the Company's future competitiveness.

### (III) Volunteer service:

The Company continued to organize the public welfare project of the Taiwan Digital Talking Books Association (TDTB) this year, and actively participated in the Taitung Christian Hospital volunteer activity organized by the Taipei Foundation of Finance. The event demonstrates the corporate mission of Cathay, which is to bring happiness to people. The total number of volunteer hours of Cathay Securities Investment Trust in 2024 reached 797 hours, and the total number of public welfare hours reached 5,867 hours.

### (IV) Responsible Investment:

Cathay Securities Investment Trust follows the Group's strategy and implements the Sustainability Development Goals (SDGs) of the United Nation on the three major aspects: “Climate, Health, Development.” In 111, it established the “Corporate Sustainability Committee” under the board, and the board members are responsible for supervising the sustainability transition strategy. Subsequently, the “Sustainability Office” was established under the President's Office dedicated to the implementation and promotion of the Company's sustainability policies and action plans, of which a dedicated responsible investment research team was assembled concentrating on the

trend of global ESG development and undertaking the stewardship of the largest asset management company in Taiwan by leveraging internal and external research resources.

In the investment process, Cathay Securities Investment Trust integrates responsible investment considerations by implementing a negative screening list and incorporating positive ESG factors disclosed in the corporate social responsibility reports of TWSE- and TPEX-listed companies. In addition, we leverage a global ESG rating database covering tens of thousands of companies worldwide. To further strengthen our ESG integration framework, we require all investment decisions to undergo pre-investment screening based on ESG-related indicators, ensuring that each investment takes into account potential ESG risks and opportunities.

For the facilitation of a low carbon transition, the Company launched the low carbon transition plan (Carbon transition, Aware, Response, Engage, CARE) in 2020. From the three aspects: Aware, Response and Engage, the Company initiated the low carbon transition of all of its investments, and at the end of 2021 it applied to join the Science Based Targets Initiative (SBTi) and received approval in 2022; the Company has launched two investment products themed on sustainability covering investments in Taiwan and the US, allowing everyone to take part in responsible investment and low carbon transition. The size of these products reached NT\$380 billion by the end of 2024.

(V) Sponsorships and donations:

In 2024, Cathay Securities launched the “Nature care from us!” program in cooperation with the Taiwan Cetacean Society to help arrange the rescue of sea turtles by adopting the sea turtles conservation pool of the Society. In addition to providing financial assistance, the Company called on more stakeholders to participate in the marine conservation efforts, including turtle release programs and volunteer training sessions—injecting fresh momentum into long-term ecological sustainability. Each year, the company participates in charity activities organized by the Taipei Foundation of Finance and makes fixed donations to medical transportation equipment used at remote medical facilities, such as ambulances, medical equipment, and mobile clinics, in an attempt to rectify the disproportional allocation of medical resources between urban and suburban areas. In 2024, donations were made to “Taitung Christian Hospital”.

## VI. No. of full-time non-managerial employees, mean and median salary of full-time non-managerial employee, and differences from the previous year

Item	2023	2024	Difference	Growth rate
No. of full-time non-managerial employees (persons)	20,454	21,084	630	3.1%
Mean salary of full-time non-managerial employees (NT\$1,000)	1,443	1,680	237	16.4%
Median salary of full-time non-managerial employees (NT\$1,000)	1,179	1,298	119	10.1%

Note: Median salary was calculated according to “Notes on Reporting of Full-time Non-managerial Employees Salary Information” and “FAQ” published by Taiwan Stock Exchange Corporation.

## VII. Information System

### ■ Cathay Financial Holding Co., Ltd.

- (I) Key information system setup and maintenance:
  - 1. Intel x86 Server:
    - (1) Hardware: Multi-core servers including the DELL and HPE, and EMC disk drive
    - (2) Software: Microsoft Windows, Red Hat Enterprise Linux, MSSQL DB, PostgreSQL
- (II) Future Development and procurement plan:
  - 1. Fintech and innovation
    - (1) Cathay Carbon Management System
    - (2) Equity Platform of Financial Holding Group
    - (3) Group data sharing platform
    - (4) Group Risk Management Center
    - (5) Cloud Ready Platform
    - (6) Cguard, information security testing platform
    - (7) CIA, Cathay Information Asset Platform
    - (8) FinOps platform
    - (9) Service Now, platform project integration and construction
  - 2. Private cloud - cloud computing
    - (1) X86, server performance expansion
    - (2) Citrix VDI, virtual platform optimization and licensing purchase
    - (3) Monitoring system for server resource and performance
  - 3. Information security
    - (1) Security Information and Event Management (SIEM)
    - (2) Business Continuity Planning (BCP)
    - (3) Privileged Identify Manager (PIM)
    - (4) Endpoint Protection and EDR software prevents endpoint malware and host intrusion
  - 4. Terminal equipment:
    - (1) Introduction of Microsoft Intune MDM
    - (2) Implementation of the procurement and control mechanism for the procurement and control of the public tablet
  - 5. Introduction and application of Microsoft 365
- (III) Information security protection and reporting measures:
  - 1. Execution of second generation firewall (FW/IPS/APT), network application program firewall (WAF), implementation of malicious attack protection at gateway end, and in conjunction with anti-virus and EDR software to prevent terminal with implant of malicious program and server intrusion.
  - 2. Gateway network data loss prevention (NDLP) and file control have been implemented to lower the risk of personal information (VES) leakage.
  - 3. Security program development process management, source code examination, infiltration test, and vulnerability scan for enhanced system security.
  - 4. Establishment of APT and SPAM protection mechanism, and utilization of sandbox behavior analysis and mail content multi-protection functions, in order to reduce the risk of hacking.
  - 5. Using the virtual server technology, the Company is able to achieve fast relocation in the event of system malfunction. The Company has activated backups for critical servers at the backup data center and synchronizes data with the main site.

6. Establishment of virtual desktop infrastructure (VDI) security and enablement of secure remote connection to the company's system for routine operations via SSL VPN system for employees.
7. Establishment of outsourced SOC mechanism. Through event warning, confirmation and handling, the risk of hacking of the Company is effectively reduced.
8. The Company continues to implement computer operation security assessment, ISO 27001 information security management system and PCI DSS payment card industry information security standard verification operation, in order to implement information security protection mechanisms.

■ **Cathay Life Insurance Co., Ltd.**

(I) Key information system setup and maintenance:

1. Intel x86 Server

- (1) Hardware: Multi-core servers including the IBM, DELL, and HPE, and EMC magnetic drive
- (2) Software: Microsoft Windows, Red Hat Enterprise Linux, JBoss, IBM DB2, PostgreSQL, EDB, MSSQL DB, MongoDB

2. IBM Power Host

- (1) Hardware: P822(L), P1022 server and EMC High-end Disk Drive
- (2) Software: IBM AIX, WebSphere, IBM DB2 and RHEL

(II) Future Development and procurement plan:

1. Fintech and innovation and system construction for the financial industry:

- (1) Development and application of generative and non-structured AI models
- (2) Enhance the user experience of customers, introduce face recognition, and optimize voice recognition.
- (3) Expand the support of auxiliary sales tools in diverse channels, and introduce AI.
- (4) The introduction of optical character reader (OCR) technology to promote the efficiency of claims policy document identification.
- (5) Cloud information framework introduction (CTI, CRM new APIM, cloud data platform)
- (6) The application and optimization of voice recognition and text recognition technology
- (7) Construction of new self-insurance platform for IFRS 17, Financial System, Insurance Agency General Version MI and Group Insurance
- (8) NAP platform integration (mobile mortgage APP, HR APP, mobile claims, easy call insurance, and accident insurance APP, etc.)
- (9) The second phase of the smart building rental service platform development

2. Private cloud - cloud computing

- (1) The transfer of the upgrade of K8S management tool in the technical midstream
- (2) AWS data cloud, marketing activity cloud project
- (3) Cloud project of mobile security system
- (4) Construction of cloud data platform
- (5) Data warehouse data and ETL are uploaded to the cloud.

3. Intel x86 Server

- (1) 2016 Windows Server upgrade plan
- (2) Virtual system (VMware, Hyper V) server replacement

4. Application server and website upgrade

- (1) Construction of ISAM system upgrade



5. Database management
  - (1) Database version upgrade
  - (2) Optimization of storage method of image system history
  - (3) Data domain upgrade construction
  - (4) Power 8 server replacement
6. Network
  - (1) Construction of Internet telephony for sales representatives' mobile phones
  - (2) Replaced the private network (VPN) of the internal office
  - (3) Wireless construction project of the Service Center
  - (4) Optimization of the dual center network architecture and elimination of Neihu equipment
7. Information security
  - (1) Information security service enhancement by the IAM certification authority
  - (2) Replacement and upgrade of the mainframe for the protection of the Arbor DDoS attack protection system
  - (3) Introduce zero-trust financial services
8. Terminal equipment:
  - (1) Windows 11 upgrade
  - (2) Launch of M365, a one-stop production platform, to the market
9. Information machine room and network architecture of the machine room:
  - (1) Construction of the phase II network in the QingPu Information Center
  - (2) Improvement project for basic hardware facilities (generators, UPS and storage tanks) of the Group's Neihu Information Center.
- (III) Information Security and Emergency Back-Up Measures:
  1. Execution of DDos volume cleaning in the outside-in manner, second generation firewall (FW/IPS/APT), network application program firewall (WAF), implementation of malicious attack protection at gateway end, and in conjunction with anti-virus and EDR software to prevent terminal with implant of malicious program and server intrusion.
  2. Construction of gateway network data loss prevention (NDLP), personal information checking (PID) and file access control (VES) to lower the risk of personal information leakage.
  3. Security program development process management, source code examination, infiltration test, and vulnerability scan for enhanced system security.
  4. Establishment of APT and SPAM protection mechanism, and utilization of sandbox behavior analysis and mail content multi-protection functions, in order to reduce the risk of hacking.
  5. Enhance the security of file transmission, and introduce a file cleaning protection assessment mechanism to reduce the information security risks of malicious file installations.
  6. Implementation of mobile device management (MDM) and mobile application management (MAM) for enhanced management over the use of mobile devices.
  7. Through the SSL VPN system, employees are able to work securely at home and to connect to the company's system in order to perform daily operations.
  8. Establishment of outsourced SOC mechanism. Through event warning, confirmation and handling, the risk of hacking of the Company is effectively reduced.
  9. The Company continues to implement computer operation security assessment, ISO 27001 information security management system and PCI DSS payment card industry information security standard verification operation, in order to implement information security protection mechanisms.

10. The Company has continued to improve the power backup mechanism of each office building, and built an uninterrupted power supply system for important facilities and information equipment to ensure that key operations are not affected by power interruptions and continue to operate.
11. Using the virtual server technology, the Company is able to achieve fast relocation in the event of system malfunction. The Company has activated backups for critical servers at the backup data center and synchronizes data with the main site.
12. The Company adopts a dual center operation model for its core business, and carries out daily data off-site backup to ensure that data can be fully read from the off-site backup center.
13. Network backup measures such as onsite backup and active-active architecture or load balancing are adopted for important network equipment at the main data center, where the onsite and offsite data backup centers are connected by the ultrahigh-speed optical network providing a solid backup architecture for both sites.

#### ■ Cathay United Bank Co., Ltd.

##### (I) Key information system setup and maintenance:

1. Intel x86 server
  - (1) Hardware: Multi-core servers including the Dell EMC, HPE, IBM, Lenovo, and Dell EMC, HDS disk drive
  - (2) Software: Microsoft Windows, Red Hat Enterprise Linux, MSSQL DB, Oracle DB, JBoss, JWS, IBM DB2, PostgreSQL, EDB, MongoDB
2. IBM Power Host
  - (1) Hardware: E1080, S980, S922, S822, S1022 server and Dell EMC High-end Disk Drive
  - (2) Software: IBM AIX as the operating system, and Oracle database system
3. IBM Mainframe
  - (1) Hardware: IBM z16s server and IBM DS8910F high-end magnetic hard-disk drive
  - (2) Software: IBM zOS operating system

##### (II) Future Development and procurement plan

1. Optimization of cloud platform architecture:
  - (1) Introduction of AA architecture and expansion of resource
2. Host and server
  - (1) New server with AA architecture upgraded from the old BaNCS core system
  - (2) Upgrade the version of the core operating system of the credit card
3. Database management
  - (1) Continue to merge and upgrade the MS SQL database
  - (2) Continue to implement the construction of the integrated database of Exadata with the Oracle RAC database.
4. Network
  - (1) Establish two information centers for an independent network architecture
  - (2) Build the new generation of branch network architecture for IT3.0
  - (3) Optimize network monitoring configuration
  - (4) Optimize network resource allocation
  - (5) Continue to introduce automated solutions for firewalls
5. Terminal equipment:
  - (1) Adopt the Client cloud virtual framework
  - (2) Optimize the software resource management system of the entire bank
6. Information security

- (1) With the dual center planning of the computer room, the dual center information security equipment such as Arbor, IPS, and WAF are established.
  - (2) Update the EDR protection system with the enhanced terminal server defense mechanism.
  - (3) The Company has adopted the ISO/IEC 27017 - Cloud Service - Information Security Control Measures certification
  - (4) Introduce new-generation scanning tools for enhanced website cleaning
  - (5) Continue to strengthen the integration of cloud information security and cloud and ground information security protection.
7. Storage equipment
- (1) Construction of the upgraded core fiber optical channel switch
  - (2) Construction of mid-to-low-end magnetic disk drive upgrade
  - (3) Optimization and upgrade of the backup system
  - (4) Establishment of the third center for storage environment
8. Addition of generator and UPS equipment at Neihu Information Center to upgrade the capacity specification.
- (III) Information Security Protection and Emergency Back-Up Measures:
1. Information security protection measures
- With regard to the information security protection measures, the Bank reviews and assesses the computer system security framework and restoration plan in the aspects of information security, network administration, anti-virus, anti-hack, at any time, in order to maintain the security and convenience principles, and continue to strengthen the corresponding information security protection mechanism, reduce the risk of data leakage and external malicious intrusion threats, and comprehensively and effectively improve the Bank's computer and network security, protect the quality of customer transactions, and the overall protection mechanism is as follows:
- (1) All external systems, application mainframes, terminal and network equipment are being guarded by a tiered information security protection system that incorporates measures, such as advanced network firewall, network system firewall, intrusion prevention system (IPS), web application firewall (WAF), and APT protection. DDoS defense and ISP clean pipe service have also been adopted to protect against malicious attacks along with the endpoint antivirus and EDR software that protects endpoints against malware and host-based intrusion.
  - (2) Implementation of mobile device management (MDM) and mobile application management (MAM) for enhanced management over the use of mobile devices.
  - (3) Construction of gateway network data loss prevention (WEB DLP/MAIL DLP), personal information directory (PID) system and file virtual encryption system (VES), and regularly conducts data leakage incident response drill to prevent personal data leakage and strengthen incident response capabilities.
  - (4) Establishment of APT and SPAM protection mechanism, and utilization of sandbox behavior analysis and mail content multi-protection functions, in order to prevent or effectively reduce employees' risk of hacking.
  - (5) Security program development process management, source code examination, infiltration test, routine vulnerability scan, and vulnerability repair management for enhanced system security.
  - (6) The Company has established a remote connection mechanism for security, and strengthened the overall control over the security of office information through the SSL VPN and VDI systems.

- (7) Establishment of outsourced SOC monitoring and mechanism. Through real event warning, confirmation and handling, the risk of hacking of the Company is reduced.
  - (8) The Company continues to implement computer operation security assessment, ISO 27001 information security management system and PCI DSS payment card industry information security standard verification operation, in order to implement information security protection mechanisms.
  - (9) The Company conducts DDoS drill, Red Team attack and defense drill, and information case incident response drill to verify the effectiveness of information security equipment protection and incident notification process.
2. Emergency disaster recovery Measures
- (1) Host  
Use EMC SRDF and IBM PPRC remote DR solution; through the high-speed optical fiber de-multiplexer and DWDM, disk drive synchronizes local transaction data to remote DR center to ensure there is no data inconsistency.
  - (2) Open system Windows and Linux platform host  
Storage Area Network (SAN) is being used for key servers to ensure in-time remote data backup and prevent disruption of key processes of the Bank.
  - (3) Network  
Network backup measures such as onsite backup and active-active architecture or load balancing are adopted for important network equipment at the main data center, where the onsite and offsite data backup centers are connected by the ultrahigh-speed optical network providing a solid backup architecture for both sites. A backup ring is set up for heterogeneous primary and backup networks at branches to prevent any loss of connection and ensure connection quality for customers.

■ **Cathay Century Insurance Co., Ltd.**

(I) Key information system setup and maintenance:

1. Core information system
  - (1) Hardware: IBM S1024/S1022 server and EMC high-end magnetic disk, IBM mid-range magnetic disk
  - (2) Software: AIX, RHEL, IBM DB2, WebSphere, JBoss, Imperva DAM and backup software (TSM, CommVault).
  - (3) Primary applications: all insurance quotes, claim handling, premium, financial, accounting, business process management, and image system, etc.
2. x86 open systems
  - (1) Hardware: Multi-core servers including the IBM, DELL, and HPE, and EMC, Synology disk drive
  - (2) Software: Windows Server, RHEL, JBoss, CentOS, MSSQL DB, IBM DB2, PostgreSQL and backup software (TSM, CommVault)
  - (3) Primary application system includes the core system, mobile insurance APP, digital service platform, network insurance application, RPA process robot, and B2B information exchange between bank channels and insurance agent companies

(II) Future Development and procurement plan:

1. NEXT IT Situation room project
2. IFRS 17 solution implementation
3. Re-arrangement plan for the QingPu Information Center
4. Core system container project

5. Project support of the Situation Room (SME X, SmartClaim, R-Squared, CoPlus, and CarTech)
  6. Cloud relocation Situation room project (Smart Claims, Smart Pay, BeSafe, CoPlus, R-Radar, A Instant)
  7. Introduction of Microsoft 365
  8. Planning and introduction of automated processes and bots
  9. Image moving and lifting of the core system
  10. Internet insurance service revision and function expansion of the member center
- (III) Emergency backup and security:
1. The company has incorporated live partition mobility (LPM). The company has also implemented off-site backup to prevent disruption of business and service activity.
  2. Using the virtual server technology, the Company is able to achieve fast relocation in the event of system malfunction. The Company has activated backups for critical servers at the backup data center and synchronizes data with the main site.
  3. Solutions including firewall, vulnerability scanning, intrusion protection, web application firewall (WAF), SSL VPN, Security Operation Center (SOC), along with anti-virus software and Trojan remover, have been acquired and installed.
  4. Gateway network data loss prevention (NDLP) and VES file encryption control have been implemented to lower the risk of personal information leakage.
  5. Security program development process management, source code examination, infiltration test, and vulnerability scan for enhanced system security.
  6. APT protection measures have been established on mails, gateways and terminals to prevent malicious software from intruding the company's computers.
  7. Ongoing ISO 27001 information system safety certification for improved information security.
  8. Introduced DDOS defense to protect against malicious attacks from the outside.
  9. Mobile device management (MDM) and mobile application management (MAM) for enhanced management over the use of mobile devices.
  10. PCI DSS checks are performed regularly to ensure information security of online transactions.

## ■ Cathay Securities Corporation

### (I) Key information system setup and maintenance:

1. Large servers
  - (1) Hardware: IBM Power with mid-to-high-range storage and Exadata.
  - (2) Software: AIX, AS/400, Oracle Linux
2. x86 Server
  - (1) Hardware: HPE Server, DELL PowerEdge with mid-to-high-range DELL EMC Storage and HPE Storage
  - (2) Software: Microsoft Windows, Redhat Enterprise Linux, VMware vSphere, VMware vSAN, Oracle, MSSQL DB, MongoDB, MYSQL
3. Network
  - (1) Hardware:
    - A. Router: Load balancing equipment is adopted for external access to achieve uninterrupted service, and dual equipment is used for internal network between server rooms in conjunction with the activation of automatic dynamic route detection and link load.
    - B. Switch: Virtual SDN network architecture is adopted at server rooms to centralize equipment management.

- C. Firewall: The next generation firewalls (FW/IPS/APT), web application firewall (WAF) and connection with automated backup are adopted.
- D. Line: The Company employs traffic-based broadband for external service line and activates the application-layer DDoS attack guarding mechanism.
- (2) Software:
  - A. Equipment monitoring and packet monitoring tools are used to analyze and send alarms for network efficiency and traffic.
  - B. Web browsing protection system is used to control web browsing and offer personal information and APT protection.
- (II) Future Development and procurement plan:
  - 1. Optimization of financial services
    - (1) Adjust system framework and improve efficiency in line with diversified systematic investment service (Taiwan and U.S. stock).
    - (2) Upgrade OSU Web system.
    - (3) Optimize functions on electronic platform to enhance customers' user experience
    - (4) Continuously improve smart customer service and expand the coverage of online services.
    - (5) Enhance the service experience of futures customers and optimize the continuous improvement of digital online services
    - (6) In line with the business development, the Company will improve the functions of the Security Lending platform and provide customers with more comprehensive services.
    - (7) The mobile platform continues to be strengthened, integrating other domestic and foreign investment products, and improving customer user experience.
    - (8) The Company also provides customers with login records and information, which helps them improve the security of their mobile platform.
    - (9) The Company will be able to optimize the construction of integrated services such as account opening and one-point account opening, and reduce the cost of human resources in the settlement account opening process to improve customer service.
    - (10) The Company has established a commodity platform system to facilitate the development of derivative financial products by its sales staff.
    - (11) Online trading of structured instruments and optimization of the trading service.
    - (12) The establishment of the Taiwan Stock Affairs Center to reduce the burden of the stock affairs inquiry system and improve the customer experience.
    - (13) The Company plans to launch the "Foreign Currency Account Opening" to establish the foreign currency and account opening system, providing customers with another way of account opening and settlement, improving the performance of the platform and optimizing the customer account management experience.
  - 2. Digital empowerment and technology framework enhancement
    - (1) Integrate customer segment analysis and enhance customer notification related services
    - (2) A user behavior analysis and insight system featuring a data-driven decision model will be implemented
    - (3) Continuously develop applications for sub-brokerage and futures mid-office service to improve availability of linked platforms
    - (4) Introduce a data science platform to develop a modern data framework, and improve the performance of customer model training with a storage and computation separation framework.

- (5) Continue to optimize the combination of the DevOPS platform with development and maintenance to improve the efficiency of maintenance and platform stability.
- (III) Emergency backup and security:
1. Host: Core trading mainframe on-site HA backup and remote backup currently in place.
  2. Network:
    - (1) With respect to network backup design, adopt onsite HA architecture for important firewalls, routers and switches at server room; use dedicated main and backup data lines along with dynamic routing to connect with remote data backup center for uninterrupted important network.
    - (2) Implement DDoS traffic cleaning, next generation firewall (FW/IPS/APT) and web application firewall (WAF) outside in, enable malicious attack protection at gateway end, and, in conjunction with anti-virus and EDR software, ensure network and system security to protect customer trading service quality.

■ **Cathay Securities Investment Trust Co., Ltd.**

- (I) Key information system setup and maintenance:
1. Intel x86 Server
    - (1) Hardware: Multi-core servers including the DELL and HPE
    - (2) Software: Microsoft Windows, Red Hat Enterprise Linux, MSSQL DB, MongoDB
  2. Virtual platform
    - (1) Hardware: Double Center DELL vSAN-Ready Node, Cisco ACI, SDWAN, F5 GTM/LTM
    - (2) Software: vSphere Enterprise, vCenter
  3. Network equipment
    - (1) Hardware: FortiGatez firewall, Cisco router switch
    - (2) Software: Forti EMS, Whatsup monitoring
  4. Information security:
    - (1) Hardware: Network APT packet analysis system, network access control (NAC) equipment
    - (2) Software: NDLP endpoint privilege management, external vulnerability detection, system authentication for high privileged accounts and desktop personal information manager, CDN
    - (3) Endpoint Protection and EDR software prevents endpoint malware and host intrusion
  5. The main application system is the investment trust business, including stock affairs, net worth settlement, and trading redemption.
- (II) Future Development and procurement plan:
1. Fintech and innovation
    - (1) R&D of AI investment model and application of tools
    - (2) Application and development of robotic automated workflow
    - (3) Digital trading and ETF service innovation for the trading of funds on the digital platform
    - (4) Optimization of online account opening procedures and introduction of new technologies
    - (5) Development of innovative functions of smart customer service
  2. Private cloud - cloud computing
    - (1) Automation deployment and construction of virtual platform

- (2) Optimization of VDI virtual platform
  - (3) Virtual platform resource expansion
- 3. Database management
  - (1) Core database and relevant software upgrade, and deploy the automation alarm function.
- 4. Network
  - (1) Workplace expansion and optimization
  - (2) Replacement and integration of Eos equipment
- 5. Information security
  - (1) New version of information security management system promotion (ISMS)
  - (2) Business Continuity Planning (BCM)
  - (3) Zero trust and maturity
- 6. Asset management platform investment system upgrade
- 7. Introduction and application of APIM products
- (III) Emergency backup and security:
  - 1. We have established a dual center system framework and adopted a highly available VSAN storage system to achieve real-time mutual backup. Enhance system recovery capability through data synchronization and multi-versions backup mechanism. We also conduct regular drills on disaster response to ensure that we can maintain data integrity and continue to provide services in the event of a major disaster.
  - 2. In terms of information security, we adopt a multi-level protection strategy, including:
    - (1) High availability firewalls system
    - (2) Internet Behavior Management
    - (3) APT Threat Protection
    - (4) Anti-virus automation mechanism
  - 3. The Company will continue to improve the level of security protection according to the information security blueprint, in order to protect corporate assets and customer rights and interests, and ensure the sustainable operation of the Company.

## **VIII. Information Security Management**

### **(I) Cyber Security Management Strategy and Framework**

Development of emerging technologies and FinTech are commonly associated with new security threats and risks. Cathay Group is committed to strengthening the capability to maintain information security of the Company and its associate subsidiaries.

- 1. The Company established the Information Security Department responsible for the establishment and amendment of information security policies, convention of information security committee meetings, organization of information security training, management of information security incidents, planning of information security framework, and assisting subsidiaries in the review of information security framework, monitoring of the information security implementation of each subsidiary, and the evaluation, communications and coordination of the inter-subsidiaries projects and related affairs.
- 2. The Company has established the information security policy approved by the board of directors to serve as the guideline for information security management of the Company, and its content mainly specifies the information security policy declaration and information security operation mechanism. The objective is to establish a secure and reliable information operating environment in order to ensure the confidentiality, integrity and availability of information assets, and to improve employees' awareness



on information security, thereby protecting the rights and interests of employees, customers and the Company.

3. To ensure the compliance and promotion of the information security policy, and the supervision and coordination of information security management works, the Company has established a cross-department “Information Security Committee,” and the highest supervisor of information security of the Company acts the convener of the committee, and the highest supervisors of the cyber security and information departments of the Company and subsidiaries as well as relevant department supervisors of the Company are invited to act as the committee members. The committee meeting is held at least once semi-annually.
4. Cooperate with the FSC’s “Financial Information Security Action Plan” and take steps to enhance the information security protection capability in order to achieve secure, convenient and uninterrupted financial services, and supervise the operational status of subsidiaries, including the establishment of the chief information security officer, appointment of the information security consultation team, implementation of the international information security management standard and acquisition of certification, execution of information security governance maturity evaluation, construction of information security monitoring service center mechanism, encouragement of information security personnel to obtain international licenses, financial holding grade of computer information security event emergency response team cooperative operation. International Certifications for Information Security Management Standards (ISO 27001:2022) have been acquired by the financial holding company and its subsidiaries (Cathay Life Insurance, Cathay United Bank, Cathay Century Insurance, Cathay Securities, and Cathay Securities Investment Trust).
5. To allow all companies of Cathay Group to have a uniform information security standard, an information security roadmap has been planned and established, and its scope includes information security governance, information security maintenance, boundary protection, Intranet to servers and systems. This roadmap is examined and adjusted regularly to serve as the ultimate guideline for information security protection.
6. Social engineering drill operation, white-hat hacker red team drill, DDoS attack-defense drill and computer system information security evaluation are performed periodically. Through various cyber security evaluation operation and attack-defense drills, the integrity and appropriateness of the overall computer system control measures are examined in order to discovery information security threats and vulnerabilities, thereby strengthening the network and information system security protection capability.
7. In addition to information security education and training, the Company prepares the summary of important news and knowledge with regard to information security every month and produces the information security newspaper for Cathay Financial Holdings and its subsidiaries in order to enhance employees’ information security awareness and the responsiveness for any information security incident.

## **(II) Control and measures for handling of major cyber security events.**

1. To establish the crisis handling and response directives for major cyber security events of the Company and all subsidiaries, the “Cathay Financial Holdings and Subsidiary Major Information Security Event Reporting and Emergency Response Management Guidelines” has been established, and its content includes the establishment of cross-company “Financial Holding Information Security Event Decision Meeting,” “Financial Holding Information Security Event Emergency Response Team” and “Financial Holding Information Security Special Support Team.”

2. To promptly manage information security risk and to adopt responsive measures early, Cathay Group has established the following mechanisms:
  - (1) Establishment of Security Operation Center (SOC) service mechanism: Through the 24/7 full-time operation monitoring by the SOC information security monitoring center, along with the use of multi-dimension correlation analysis cyber security equipment, network equipment, operating system logs, the real-time warning and determination of information security events and abnormal connection behaviors can be achieved. In addition, the handling and tracking mechanism is also established, in order to implement information security risk control measures thoroughly.
  - (2) Resources of Cathay Group have been integrated to establish the cross-company “Information Security Emergency Response Team” in order to participate in providing assistance to emergency responses. In addition, through event reporting and emergency response procedure, the information security event status of the Company and subsidiaries is controlled and handled in a timely manner. With the expertise of contracted external consultants and experience from previous information security incidents, the financial group is able to promptly provide the response team with appropriate and professional advice as well as emergency support.
  - (3) The “Group Information and Threat Intelligence Sharing Mechanism” with regard to material information security intelligence reporting and sharing has been adopted for the implementation of improvement and defensive measures. The Company has established a detection and closing mechanism for existing external false and fraudulent targets (websites, Apps, social platforms) to prevent customers from damage and reduce possible risks.
  - (4) The Company has introduced an automated attack drill mechanism to verify the effectiveness of information security defense. It has planned the red team vs blue team operations and cyber range training and formulated various scenario scripts for ongoing cyber security drills in order to make employees familiar with the responsive procedures and react rapidly to any cyber security incident.
3. In 2024, there were no major information security events impacting the Financial Holding and its subsidiaries.

## **IX. Industrial Relations**

### **(I) Employee benefit programs, retirement system, related agreements and rights protection:**

Besides the labor and health insurance coverage as required by the government, additional benefits such as employee shareholding trust, group insurance, various subsidies, festival allowances, hiking activities, internal training, and exam-taking reimbursements, are part of our employees’ benefits. In terms of retirement payments, all benefits are paid in accordance with Labor Standards Act and Labor Pension Act.

To protect the rights of employees, companies should clearly define the following according to laws and regulations, collective bargaining agreement and management needs, in the work rules: wage payment standard, working hours, vacation, leave of absence, attendance, reward and punishment, transfer, dismissal & retirement, and pension. After being approved by regulators, these rules should be distributed through public notification. To promote non-harassment and gender-equality employment measures for preventing/correcting sexual harassment with related complaint procedures and disciplinary measures were established. A sexual harassment appeal processing committee was also set up to process matters on sexual harassment complaints, investigation, and resolution.

To ensure a safe working environment to guarantee employee personal safety, the Company and its subsidiaries have already established the following measures:

1. First-aid personnel are required to take the related professional training. First-aid kits and AEDs are provided in all working locations.
2. Regular tests for illumination and carbon level of working environment.
3. Health checkups and pre-job safety and health training for new hires.
4. Health checkups and safety and health training for employees on a regular basis.
5. Arrange physician and nursing personnel to provide on-site labor health service.
6. Arrange full time physician and nursing personnel to provide on-site labor health service.

**(II) Losses arising as a result of employment disputes in the last year up till the publication date of this annual report (including violations against Labor Standards Act found during a labor inspection; explain the date of penalty, reference number, the laws violated, the violating action, and the nature of penalty). Please quantify the estimated losses and state any response actions, and state reasons if losses cannot be reasonably estimated:**

According to the “Violation of Labor Laws and Regulations Unit (Employer) Inquiry System” of the Ministry of Labor, there were no punishments or penalties in 2024 as of the date of publication of the annual report.

**(III) Employee Code of Service:**

All employees are required to follow the codes below as a part of their contributions to the Company’s future development and to the common welfare of the entire employee population.

1. All employees must abide by applicable government laws, rules and regulations, and the Company’s regulations and policies. Team spirit is highly encouraged within the Company but behavior relating to disturbances in the working environment or common welfare, such as being opinionated, agitating, quarreling, fighting physically, misleading others, etc. are strictly prohibited.
2. All work should be carried out in accordance with the instructions given, if no such instruction is available, a request for related guidance from the upper managers should be sought before further execution.
3. Instructions given by the working supervisors shall be implemented, any refusal, dodging or disagreement should be forward to the department/divisional supervisor for resolution.
4. Unless approved by the Company, no outside employment is allowed. Activities relating to jobbery will not be tolerated.
5. Other than serving for his/her departments, employees are expected to assist in the work of others when necessary and as requested by the direct supervisors. Buck passing is not allowed in this situation.
6. Unless for Company holidays or other holidays as designated by the central government, employees are required to arrive at work on time for working days. Absences without prior notice or leaving early/arriving late are disallowed.
7. All duties, unless otherwise specified, should be completed during the day without delay.
8. Absence without permission during working hours is prohibited.
9. Employees must comply with whatever job transfers or arrangements made by the company.

10. All work settings should be kept in good order. Riotous activities or disturbing others or any forms of misconduct are prohibited.
11. No going through other's data including statements, documents, phone calling history, and computer files (including any storage). No document is to be taken outside or revealed to others without the supervisor's permission.
12. Company customers should be treated with kindness and respect. Attitudes associated with negligence or arrogance are strictly prohibited. All customer requests should be served with full effort without delay. Explanations should be made patiently when misunderstood. Inquiries should be answered or transferred to the suitable personnel, whether in charge or not. An answer of "I do not know" is not acceptable.
13. Business intelligence and commercial data should be kept confidential and not disclosed to others.
14. Employees are not permitted to guarantee a loan or contract for others in the name of the Company or the job position.
15. All Company facilities or supplies should be used with care and without waste. Wanton damage and misappropriation for personal use outside of the Company is not allowed.
16. Avoid bad addictions, such as gambling and excessive business entertainment.
17. Contraband or hazardous goods are banned from all the office areas. No safekeeping of personal belongings in the warehouses is allowed, nor smoking (including electronic cigarettes) or leaving ignitable goods in the file rooms.
18. Under unusual circumstances, all important documents, statements, commercial bills, cash and computer files (including any storage) should be placed and handled properly. And notice should be sent to the nearby supervising units as soon as possible.
19. Supervising responsibility should be divided into various layers according to the nature of the transaction. Managers in all levels should properly look after the business under his/her supervision.
20. Employee must maintain confidentiality of their job rank and the salary and bonus they receive, and cannot reveal such information to others or ask others for such information.
21. There shall not be extramarital affairs, sexual harassment or gender discrimination in words or in action at the workplace.

## X. Important contracts and commitments

### ■ Cathay Life Insurance Co., Ltd.

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
Major reinsurers and reinsurance contracts	Central Reinsurance Corporation	1970/9/30~	Reinsurance contracts for life, casualty, group and catastrophe policies	None
	Swiss Reinsurance Company Ltd	1970/9/30~	Reinsurance contracts for life and health insurance policies	
	Munich Reinsurance Company	1975/4/1~	Reinsurance contracts for life, health and casualty insurance policies	
	RGA Reinsurance Company	1998/9/1~	Reinsurance contracts for life and health insurance policies	
	SCOR SE	1998/1/1~	Reinsurance contracts for life, health and casualty insurance policies	
	Hannover Rück SE	2003/1/1~	Reinsurance contracts for life and health insurance policies	

Note: If both parties of the reinsurance contracts of life and health insurance are in consent, the contracts will be automatically renewed. Other contracts are one-year contracts.

### ■ Cathay United Bank Co., Ltd.

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
The assignment of performing lending	Yuanta Commercial Bank Co., Ltd.	2024/1/8	Total amount USD\$ 12,777,777	None
	The Bank of East Asia Ltd - Taipei Branch	2024/1/26	Total amount NTD\$ 300,000,000	
	Baiduri Bank Sendirian Berhad	2024/6/12	Total amount USD\$ 16,400,000	
	1.Agricultural Bank of China Limited Singapore Branch 2.Hang Seng Bank Limited 3.Bank of China Limited Singapore Branch 4.Bangkok Bank Public Company Limited Singapore Branch 5.Credit Agricole Corporate and Investment Bank Singapore Branch 6.The Shiga Bank, Ltd., 7.Taishin International Bank Co., Ltd.Singapore Branch	2024/6/21	Total amount AUD\$ 44,725,000	
	1.Nanyang Commercial Bank, Limited 2.Bank of Taiwan, Offshore Banking Branch	2024/6/21	Total amount USD\$ 50,000,000	

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
	3.China Construction Bank 4.China Everbright Bank Co., Ltd., Hong Kong Branch 5.Mega International Commercial Bank Co., Ltd., Hong Kong Branch 6.The Bank of East Asia, Limited 7.Taiwan Cooperative Bank, Offshore Banking Branch 8.Credit Industriel et Commercial Singapore Branch			
The assignment of performing lending	9.Woori Bank Singapore Branch 10.E.SUN Commercial Bank Ltd., Tokyo Branch 11.Far Eastern International Bank Co., Ltd. 12.First Commercial Bank, Offshore Banking Branch 13.Land Bank of Taiwan 14.State Bank of India , Hong Kong Branch 15.Tai Fung Bank Limited 16.Yuanta Bank 17.Taiwan Business Bank Ltd., Offshore Banking Branch 18.Hua Nan Commercial Bank, Ltd. 19.Taiwan Shin Kong Commercial Bank Co., Ltd., Hong Kong Branch			None
	Tai Fung Bank Ltd.	2024/6/24	Total amount USD\$ 23,600,000	
	Taishin International Bank Co., Ltd.	2024/8/6	Total amount NTD\$ 1,071,691,649	
	Taishin International Bank Co., Ltd.	2024/9/24	Total amount NTD\$ 1,100,000,000	
	Bank of Panhisn	2024/11/14	Total amount USD\$ 10,000,000	
	Bank of Kaohsiung	2024/12/23	Total amount USD\$ 15,000,000	
Acted as The	Cathay Financial Holding Co., Ltd.	2024/3/26	Total amount NTD\$ 2,500,000,000	

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
Issue of Unsecured Corporate Bonds	Cathay Life Insurance Co., Ltd.	2024/4/24	Total amount NTD\$ 10,500,000,000	
	Cathay Life Insurance Co., Ltd.	2024/5/9	Total amount USD\$ 97,900,000	
The professional service of system integration and program management provided by the system integrator	IBM Taiwan Corporation	2024/8/15	Total amount NTD\$ 3,750,000,000	None
Acquisition of the right of use of assets	Cathay Life Insurance Co., Ltd.	2024/8/28	Total amount NTD\$ 306,832,755	
	Cathay Life Insurance Co., Ltd.	2024/11/8	Total amount NTD\$ 450,242,391	

■ Cathay Century Insurance Co., Ltd.

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
Reinsurance Contracts (Domestic)	Central Reinsurance Corporation	1993/8/19~	Reinsurance contracts for fire, risk/event, engineering & construction, casualty, marine, and personal accident insurance policies	Special exclusions and coverage limitation listed under the reinsurance contracts
Reinsurance Contracts (International)	EVEREST REINSURANCE COMPANY	2001/1/1~	Reinsurance contracts for risk/event, engineering & construction, casualty, and personal accident insurance policies	
	KOREAN REINSURANCE COMPANY	2002/1/1~	Reinsurance contracts for fire, risk/event, casualty, marine, engineering & construction, and personal accident insurance policies	
	SWISS REINSURANCE COMPANY	1993/8/19~	Reinsurance contracts for risk/event, engineering & construction, marine, and personal accident insurance policies	
	TRANSATLANTIC REINSURANCE COMPANY	2001/1/1~	Reinsurance contracts for fire, marine, engineering & construction and casualty insurance policies	
	MUNICH REINSURANCE COMPANY	1997/1/1	Reinsurance contracts for fire, event, personal accident insurance policies	

■ Cathay Securities Corporation

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
Software and hardware maintenance contract	Sysjust Co., Ltd.	2024/ 01/01~ 2024/ 12/ 31	AP version information authorization and maintenance contract	None
	Sysjust Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	AP version information authorization and maintenance contract	
	Sysjust Co., Ltd.	2024/ 01/01~ 2024/ 12/ 31	Wealth Management APP Trading System Information Authorization and Maintenance Agreement	
	Sysjust Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	Wealth Management APP Trading System Information Authorization and Maintenance Agreement	
	Da Cho Digital Co., Ltd.	2024/11/09~ 2027/ 11/ 08	Securities brokerage business, proprietary business (securities, futures, options) application system	
	MDBS Digital Technology Co., Ltd.	2023/ 09/01~ 2025/ 08/ 31	Speedy system annual maintenance	
	Sysjust Co., Ltd.	2024/ 01/01~ 2024/ 12/ 31	Information License and Maintenance Agreement	
	Sysjust Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	Information License and Maintenance Agreement	
	Mitake Information Corp.	2024/ 01/01~ 2024/ 12/ 31	Mobile Application Trading System Maintenance Contract	
	Mitake Information Corp.	2025/ 01/01~ 2025/ 12/ 31	Mobile Application Trading System Maintenance Contract	
	Cmoney Technology Co., Ltd.	2024/ 01/01~ 2024/ 12/ 31	CMoney System Rental Contract	
	Cmoney Technology Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	CMoney System Rental Contract	
	Cmoney Technology Co., Ltd.	2024/ 01/01~ 2024/ 12/ 31	CMoney Cloud Subscription System Rental Contract	
	Cmoney Technology Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	CMoney Cloud Subscription System Rental Contract	
	Digital Classification Online Co., Ltd.	2023/ 01/01~ 2024/ 12/ 31	News Information Service Cooperation Contract-Second Supplementary Contract	
	Digital Classification Online Co., Ltd.	2025/ 01/01~ 2025/ 12/ 31	News Information Service Cooperation Contract-Second Supplementary Contract	
	TPI software Corp.	2024/ 01/01~ 2024/ 12/ 31	Intelligent Customer Service System Software License and Maintenance Agreement	
	TPI software Corp.	2025/ 01/01~ 2025/ 12/ 31	Intelligent Customer Service System Software License and Maintenance Agreement	
	TAIWAN-CA Inc.	2024/ 01/01~ 2024/ 12/ 31	TWID Pre-Signed Service and TWID Portal System Maintenance Agreement	
	TAIWAN-CA Inc.	2025/ 01/01~ 2025/ 12/ 31	TWID Pre-Signed Service and TWID Portal System Maintenance Agreement	
	Systex Corporation.	2024/01/01~ 2024/12/31	Mobile APP Information Service and Software Maintenance Contract	
	Systex Corporation.	2025/01/01~ 2025/12/31	Mobile APP Information Service and Software Maintenance Contract	
	Taiwan Macaron Technology Co., Ltd.	2024/01/10~ 2025/01/09	CTI Call Center Telephone Traffic Management System Maintenance	
	Taiwan Macaron Technology Co., Ltd.	2025/01/10~ 2025/12/31	CTI Call Center Telephone Traffic Management System Maintenance	
	Mobvoi Taiwan Corporation	2024/01/01~ 2024/12/31	Intelligent voice system maintenance	
	Miraicapps	2025/01/01~	Intelligent voice system maintenance	



Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
Software and hardware maintenance contract		2025/12/ 31		
	Syscom Computer Engineering Company	2024/11/01~2025/ 10/ 31	software maintenance contract PineReport maintenance	
	Syscom Computer Engineering Company	2024/11/01~2025/ 10/31	R6 System DB Software Maintenance Contract	
	Syscom Computer Engineering Company	2024/11/01~2025/ 10/31	software maintenance contract_ FEP System Maintenance Contract	
	Dimerco Data System Corp.	2024/05/01~2025/04/30	Financial management system maintenance service	
	Fortune Information Systems Corp.	2022/ 11/01~2024/10/31	Forcepoint Employee Internet Gateway Defense System Software License Procurement Contract	
	Fortune Information Systems Corp.	2024/ 11/01~2025/10/31	Forcepoint Employee Internet Gateway Defense System Software License Procurement Contract	
	Changing Information Technology Inc.	2024/ 05/26~2026/05/25	Contract and Seal Management System for New-opened Accounts	
	Paysecure Technology Co., Ltd.	2022/ 12/01~2025/11/30	Hardware Encryption Maintenance Contract	
	Ecloudvalley Digital Technology Co., Ltd.	2023/ 01/01~2025/12/31	Oracle software and hardware standard maintenance	
	Ecloudvalley Digital Technology Co., Ltd.	2023/ 01/01~2025/12/31	Oracle Advanced Maintenance	
	IBM Taiwan Corporation	2024/ 07/01~2029/6/30	IBM Service Statement of Work	
	Concord System Management Corporation	2023/ 10/20~2028/10/19	Software licensing procurement and maintenance service contract	
	Symphox Information Co., Ltd.	2021/ 05/01~2026/ 04/30	Network Infrastructure Services Agreement	
	Sanfran Technologies Inc.	2024/ 07/01~2026/6/30	Network equipment maintenance for head office and branch offices	
	Easyus Digital Technology Co., Ltd.	2024/08/01~2025/12/31	BillHunter/MailHunter Ultimate Electronic statement and marketing Email system	
Hardware equipment procurement contracts	G-Trend Integration Corp.	2022/07/01~2026/ 01/31	Procurement and Maintenance Contract for Cathay Sec INC. Data Center Network Service Improvement Project	
	Stark Technology Inc.	2021/11/01~2026/10/31	Contract for Replacement of EOS Equipment and Subdivision of Data Center Network Segments in Cathay Sec INC. Dun Nan Data Center	
Software License contract	Truly Technology Co., Ltd.	2023/01/01~2024/12/31	UiPath RPA Software License Agreement	
	Truly Technology Co., Ltd.	2025/01/01~2026/12/31	UiPath RPA Software License Agreement	
	Changing Information Technology Inc.	2024/01/01~2024/12/31	Certificate Security Control Platform Maintenance Contract	
	Changing Information Technology Inc.	2025/01/01~2025/12/31	Certificate Security Control Platform Maintenance Contract	
	Leiyang Information Co., Ltd.	2024/ 07/01~2025/06/30	Electronic Transaction Cryptocenter System System Maintenance Contract	
Information Contract	Systex Corporation.	2024/06/01~2027/ 05/ 31	NYSE real-time US stock information service	
	Dimerco Data System Corp.	2022/11/04~2024/12/04	Bond module system construction	
Data transfer	Standard & Poor's	2024/05/10~2027/05/09	Standard & Poor's Authorization Agreement	

■ Cathay Securities Investment Trust Co., Ltd.

Contract Type	Contracting Party	Valid Period	Purpose	Restriction Clause
IT system /service contract	Systemweb Technologies Company Limited	2019/ 10/16~	IMS Investment Management System (Four Major Investment Processes)	None
	Systemweb Technologies Company Limited	2019/ 10/16~	Development of PAM Fund Accounting Management System	
	TPISoftware Corporation	2021/08/07~	Intelligent assistant system:	
	INFORISE TECHNOLOGY LTD.	2023/09/15~	Antivirus system DeepSecu	
	STARK TECHNOLOGY INC	2022/01/01~ 2026/12/31	Web Security Protection System	
	Gamania CloudForce Co., Ltd.	2023/10/13~ 2028/10/12	Computer room monitoring dashboard system	
	WEN WEI TECHNOLOGY CO., LTD.	2022/05/24~ 2025/05/23	Backup system	
	SYMPHOX INFORMATION CO., LTD.	2024/01/01~ 2026/12/31	Email Services for Rent APT DLP	
	Changhua Mechanical & Electrical Co., Ltd.	2024/01/01~ 2024/12/31	Dunan computer room maintenance	
	DIMERCO DATA SYSTEM CORPORATION	2024/01/01~ 2025/12/31	Terminal privilege management system EADM maintenance	
	FORTUNE INFORMATION SYSTEMS CORPORATION	2024/01/01~ 2024/12/31	X86 server maintenance, DELL original warranty	
	LANCOM TECHNOLOGIES INC.	2024/02/01~ 2025/01/31	Telephone exchange maintenance	
	G-TREND INTEGRATION CORP.	2024/02/01~ 2025/01/31	Information security equipment maintenance	
	WingWill International Co., Ltd.	2024/03/27~ 2025/03/26	Source code scan	
	SYSJUST CO., LTD.	2024/04/01~ 2025/03/31	XQ Information Source Supplement	
	Kyndryl Taiwan Corporation	2024/12/01~ 2027/05/31	Construction of Cloud backup project	
	AMXECURE CO., LTD.	2024/01/30~ 2025/01/30	Social Engineering Drill Project	
	Acer Cyber Security Inc.	2023/11/01~ 2024/12/31	Information Security Monitoring (SOC) Service Case	
	Acer Cyber Security Inc.	2024/01/01~ 2025/12/31	Hacking Test Service	
	G-TREND INTEGRATION CORP.	2024/03/29~ 2027/05/27	Privilege Management System CyberArk	
	ExtremeData System Inc.	2024/07/24~ 2026/12/31	RHEL Software License Purchase and Maintenance Service Contract	
	FORTUNE INFORMATION SYSTEMS CORPORATION	2024/03/29~ 2028/10/11	VMWARE software project service usage	
	SYMPHOX INFORMATION CO., LTD.	2024/04/01~ 2027/03/31	Enterprise Internet Service Rental Contract	
	LANCOM TECHNOLOGIES INC.	2024/10/01~ 2029/09/30	Telephone system dual-center construction service	
	NFOTRENDS INFORMATION INTEGRATION CO.,LTD.	2024/07/15~ 2025/07/14	CallCenter System Maintenance Contract	
	Acer Information Technology Co., Ltd.	2024/ 06~ 2024/12/31	Distributed Denial of Service Attack Drill Service	
	INFOARCHI INFORMATION CO., LTD.	2024/06~ 2026/05/31	Information system log management platform project maintenance	
	Systex Software & Service Corporation	2024/07/01~ 2025/06/30	Trend Micro Intranet Threat Monitoring and Maintenance	
	WIN-WIN-WIN TECH CORP.	2024/10/28~ 2025/02/28	Speech-to-text system project construction service	

Note: The effective date of the contract is the date of establishment of the fund, and the party concerned is the custodian bank of the fund.

## Five. Review and analysis of financial status and financial performance and risk management

### I. Analysis of Financial Status

Unit: NT\$ thousand

Item \ Year	2023	2024	Change in amount	Change in proportion (%)
Cash and cash equivalents	7,587,401	7,536,527	(50,874)	(1)
Financial assets at fair value through profit or loss	33,624,500	34,342,000	717,500	2
Financial assets at fair value through other comprehensive income	197,768	229,331	31,563	16
Securities purchased under agreements to resell	0	0	0	-
Receivable - net	5,279,134	7,846,814	2,567,680	49
Current income tax assets	5,686,741	1,713,864	(3,972,877)	(70)
Equity investment under the equity method	897,567,264	1,014,413,760	116,846,496	13
Property and equipment	284,162	464,773	180,611	64
Intangible assets	574	525	(49)	(9)
Right-of-use asset	191,933	351,045	159,112	83
Deferred tax assets	1,529,782	1,881,272	351,490	23
Other assets	346,098	361,889	15,791	5
Total assets	952,295,357	1,069,141,800	116,846,443	12
Payables	88,723,541	88,923,753	200,212	0
Income tax liabilities - current period	960	5,945,882	5,944,922	619,263
Bonds payable	69,000,000	76,000,000	7,000,000	10
Other loans payable	4,990,000	7,990,000	3,000,000	60
Provisions	1,065,895	971,861	(94,034)	(9)
Lease liability	192,957	352,012	159,055	82
Deferred tax liabilities	266,714	266,757	43	0
Other liabilities	605	14	(591)	(98)
Total liabilities	164,240,672	180,450,279	16,209,607	10
Common stock	146,692,102	146,692,102	0	0
Preferred shares	15,333,000	15,333,000	0	0
Additional paid-in capital	202,793,453	203,143,822	350,369	0
Legal reserve	72,994,637	78,018,683	5,024,046	7
Special reserve	378,461,911	230,128,217	(148,333,694)	(39)
Undistributed earnings	50,240,458	273,370,397	223,129,939	444
Exchange differences resulting from translating the financial statements of a foreign operation	(12,961,984)	(7,585,169)	5,376,815	(41)
Gain (loss) on effective cash flow hedge instruments	510,499	(354,267)	(864,766)	(169)
Unrealized gains / losses on financial assets at fair value through other comprehensive income	(14,758,415)	(13,142,474)	1,615,941	(11)

Item \ Year	2023	2024	Change in amount	Change in proportion (%)
Other comprehensive income reclassified using the coverage approach	(60,150,205)	(50,177,479)	9,972,726	(17)
Changes of designated financial liabilities at fair value through profit or loss resulting from credit risk	(833,793)	(420,102)	413,691	(50)
Remeasurement of defined benefit plans	(1,117,660)	1,075,791	2,193,451	(196)
Revaluation Surplus	12,612,706	12,609,000	(3,706)	(0)
Other equity - Others	(1,762,024)	0	1,762,024	(100)
Total shareholders' equity	788,054,685	888,691,521	100,636,836	13
Changes in the ratios of the analysis:				
<ol style="list-style-type: none"> <li>1. Variation in receivable - net was mainly attributed to the consolidated tax system.</li> <li>2. The variation in current income tax asset was mostly due to the recovery of the 2018 tax refund receivable.</li> <li>3. The difference of property and equipment between the two periods is mainly due to the purchase of equipment in the current period.</li> <li>4. The difference of right-of-use assets between the two periods is mainly attributed to new lease agreements signed in the current year.</li> <li>5. The difference of deferred tax assets between the two periods is mainly due to the increase in the deductible temporary differences and loss carryforwards in the current period.</li> <li>6. Variation in current income tax liabilities was mainly attributed to increased business income tax payable.</li> <li>7. The difference of other borrowings between the two periods is mainly due to the increase in short-term borrowings during the current period.</li> <li>8. The difference of lease liabilities between the two periods is mainly attributed to new lease agreements signed in the current year.</li> <li>9. The difference in other liabilities for the two terms is mainly due to the decrease in court payments.</li> <li>10. The difference between the special reserve in the two periods is mainly due to the increase in other equity, and the reversal of the special reserve in 2023.</li> <li>11. Variation in unappropriated earnings was mainly attributed to increased net income and the reversal of special reserve in the current year.</li> <li>12. The difference of exchange from translating financial statements of foreign operations between the two periods is mainly due to exchange rate movements.</li> <li>13. The difference of the gain (loss) on the hedging instruments belonging to the effective hedging positions of the cash flow hedge between two periods is mainly due to the change in the valuation of the hedging positions.</li> <li>14. Variation in credit risk effect of financial liabilities measured at fair value was mainly attributed to credit risk changes and valuation changes in USD bonds issued by subsidiaries.</li> <li>15. The difference in the two terms of the defined benefit plan is mainly due to the increase in the remuneration of the subsidiary's fund assets.</li> <li>16. The difference in other equities in the other two periods is mainly due to the disposal of subsidiaries in the current period.</li> </ol>				

## II. Analysis of Financial Performance

Unit: NT\$ thousand

Item \ Year	2023	2024	Change in amount	Change in proportion (%)
Net income	50,332,570	113,783,458	63,450,888	126
Expenses and loss	(2,498,773)	(2,943,950)	(445,177)	18
Pre-tax income (loss)	47,833,797	110,839,508	63,005,711	132
Net income	50,928,865	110,269,745	59,340,880	117

### III. Cash flows

#### (I) Liquidity Analysis in the last two years

Unit: %

Item \ Year	2023	2024	Increase (decrease) in proportion (%)
Cash flow ratio (%)	Note	Note	-
Cash flow adequacy (%)	Note	Note	-
Cash flow adequacy ratio (%)	Note	Note	-

Note: Ratio was not disclosed due to a negative numerator or denominator in the net cash flow formula

#### (II) Cash flow analysis of the year ahead

Unit: NT\$ thousand

Cash balance at beginning①	Projected net cash flow from operating activities in current period ②	Projected cash outflow in current period③	Projected amount of cash surplus (deficit) ① + ② - ③	Remedy for cash deficit	
				Investment plan	Financing plan
7,536,527	29,049,940	61,809,371	(25,222,904)	None	Issue corporate bonds and commercial paper

### IV. Major capital expenditures in the last year

None.

### V. The investment Strategy in the last year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

Please refer to the Market Observation Post System:

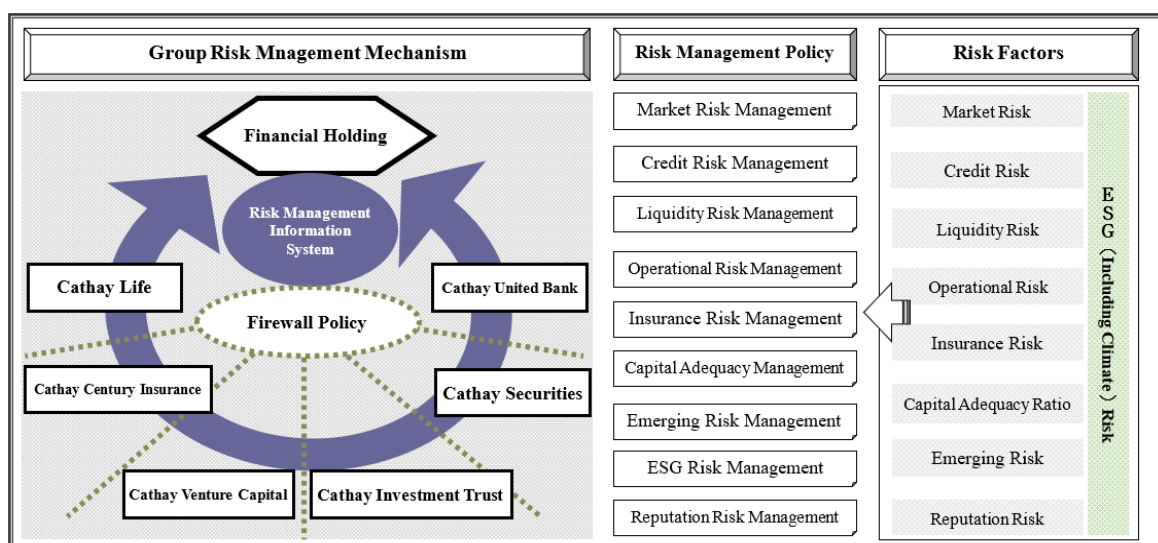
Market Observation Post System > Single Company > Equity Change/Securities Issuance > Fundraising/Private Placement > Fundraising Plan Execution

([https://mopsov.twse.com.tw/mops/web/bfhtml\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtml_q2))

In the past, Cathay Financial Holdings initiated the twin-engine of the insurance and banking service, which yielded excellent complementary effects. Many in the industry learned from the Company and launched similar products. Cathay Financial Holdings decided to make its asset management operation as the third engine for further development of the twin-engine of insurance and banking for providing full-range financial services and further enhance brand value. In the future, the business policy will be focused in the development in other countries with the triple-engine of “insurance + banking + asset management” as the core strategy for development. With its base in Asia-Pacific and the triple-engine as its strategy, Cathay Financial Holdings is dedicated to be the best financial institution in Asia.

## VI. The analysis and assessment of risk management in the last year to the date this report was printed by the analysis of the overall financial position and operation.

### (I) Risk management framework and policies of the financial holding company and its subsidiaries



#### 1. Risk Management Governance Structure:

In order to achieve the integration effect with independent and sufficient management of risk exposure, the Company has established an independent risk management division responsible for establishing and promoting the Group's risk management mechanism, and formulating relevant policies and regulations. Each subsidiary has established a risk management unit according to laws and regulations or business attributes, and manages the risks of each subsidiary according to the mechanism and policies established by the Risk Management Division.

The Company and its main subsidiaries have established a risk management committee responsible for supervising the operation of the risk management mechanism and ensuring the implementation of the Group's risk management system. The Company's Risk Management Committee is a functional committee under the Board of Directors, responsible for supervising the relevant operation mechanism of risk management, reporting to the Board of Directors, and submitting suggestions to the Board of Directors for resolution.

In addition, the Company has a risk management Executive Committee, which is composed of the top executives of the Company and the risk management units of its main subsidiaries, as the Group's risk management communication platform, and monitors the implementation of the Group's risk management operations.

#### 2. Risk Management Policy:

The risk management policies and related guidelines established by the Company shall be reviewed by the Risk Management Committee and approved by the Board of Directors. Our employees are required to follow the policies and the guidelines, especially for the transactions related to investment and loan business.

(1) The Company's main risk sources can be categorized into market risk, credit risk, operational risk, liquidity risk, insurance risk, capital adequacy management, emerging risk, ESG and climate risk, and reputation risk. The Risk Management Division is responsible for developing management guidelines, rules, and related compliance standards for each risk type. Risk management departments of each subsidiary have established risk management guidelines in accordance with the Company's risk management policies and their business attributes.

- (2) To monitor the concentrations of credit exposure by loans, investment and related transactions, we have established the guidance to manage the concentrations.
- (3) To enhance the management of credit and operational risk events, we apply the information system for monitoring those events among the Company and the subsidiaries.

**(II) Methods adopted by the financial holding company and subsidiaries for the assessment and control of risks, and disclosure of quantified risk exposures**

**■ General periodic disclosures**

**1. Risk Management Policies, Procedures and Reporting**

**(1) Risk Management Policies and Procedure:**

- A. Market risk management: The Company and its subsidiaries have established robust investment decision making procedures and implemented VaR limits, market risk factor limits, market risk stress VaR limits, and exceptions management procedures to guide employees' decisions. Risk factor monitoring, risk assessments, and stress tests are performed regularly on the exposure to enforce market risk management.
- B. Credit risk management: In addition to strict credit policies, credit application procedures, collateral, overdue loans, asset evaluation and provision, the Company and its subsidiaries have also established relevant control mechanisms such as group concentration limits, industry risk limits, and national risk limits to effectively diversify credit risks.
- C. Liquidity risk management: In addition to the provision of liquidity reserve or assets with easy cash conversion in accordance with the law, the Company also effectively manages its capital positions by taking into account the principles of liquidity, safety, and return, in order to reduce the liquidity risk. In addition, each subsidiary maintains contingency funding plans that outline our potential responses to liquidity stress events at various levels of severity.
- D. Operational risk management: The Company and its subsidiaries have established separate operating procedures and computer systems that are independent of each other based on the nature of their business. The Company collects and analyzes operational risk loss events to strengthen the identification of risk root causes and to continue to track the effectiveness of control measures in order to effectively manage operational risks. In addition, in terms of continuous management, the Company and its main subsidiaries have established a continuous management mechanism in accordance with international standards to strengthen the Group's operational resilience, and implement the business continuity management mechanism for various risk scenarios.
- E. Insurance risk management: In addition to the insurance risk management framework and system of the Company and its insurance subsidiaries, the Company manages insurance product risks and risk mitigation measures based on the premise of complying with the Company's business strategies and acceptable profit targets, and regularly reduces insurance risks losses caused by unexpected changes through tracking and implementing product after-sales experience.
- F. Capital adequacy management: Calculating the capital adequacy ratios regularly pursuant to laws and regulations, the Company and the subsidiaries estimate the capital adequacy ratios from time to time based on the Company's merger and acquisition plans, or depending on the investment plans of each subsidiary; this is to maintain an appropriate level of capital adequacy, and to provide the Company with a reference for the future planning of fund sources.
- G. Emerging risk management: Facing the increasingly complex global financial operating environment, as well as the increasing issues such as technological

development and population aging with rising probability of occurrence, the Company conducts external emerging risk research every year to identify and measure emerging risks, and proposes risk responses and controls. Please refer to “VIII. Other important matters” for details.

- H. ESG and climate risk management: In order to implement the corporate sustainability principles and respond to the possible significant impact of extreme climate on business development, the Company and its subsidiaries manage the ESG risks of financing through internal and external ESG information, and assess the financial impact of climate change on the Company.
- I. Reputation risk management: To reduce the negative perception of the Company by stakeholders in the event of material incident, the Company handles with the relevant internal measures and take defensive measures to reduce the impact of damages.

## (2) Risk Management Reporting

- A. All risk management units are required to submit reports to the authoritative supervisors on a regular basis to disclose risk exposures and risk management implementation status. In the event of major risk events, the risk management unit shall compile relevant information and report according to the level of authority to strengthen the implementation of the risk management mechanism.
- B. Risk management reporting should be based on quantitative risk assessments. Risks that cannot be quantified will require special disclosure in the report.
- C. The financial holding company and subsidiaries regularly report the progress of their risk management tasks to the Risk Management Committee and board of directors. All subsidiaries are also required to report to the financial holding company’s Risk Management Division.

## (3) Regular convention of the Risk Management Committee

The Company and the subsidiaries hold risk management committee meetings periodically to ensure all risk control systems are working properly and review the consequences of risk control. Impromptu meetings are called for emergency events.

## (4) Exception Management Process

When subsidiaries deviate from the risk management policies, subsidiaries should make an exception report which disclose the reasons, the related rules and followed procedures. In addition, the report should be forwarded to the Company after approved by the subsidiary’s supervisor.

## 2. Risk Management System, Range and Characteristics:

The Company and its subsidiaries have established or implemented a number of risk management information systems including: market risk value system, credit grading system, emergency credit risk reporting system, group credit and investment limit system, and operational risk incident reporting system to comply with government regulations and for integrated monitoring of subsidiaries’ exposure.

## 3. Risk Hedging/Reduction Policy:

Please refer to “(IX) Financial risk management objectives and policies ” in 2024 Consolidated Financial Report

Market Observation Post System > Single Company > Electronic Document Download > Financial Report

([https://mops.twse.com.tw/mops/#!/web/t57sb01\\_q1](https://mops.twse.com.tw/mops/#!/web/t57sb01_q1))

## ■ Information on the methods of risk management at all subsidiaries and quantifying risk exposure

### Cathay Life and Cathay Century Insurance:



1. Cathay Life and Cathay Century Insurance subsidiaries face and the method of controlling them are as follows:

(1) Market Risk

A. Definition: Risks arising from price changes in financial market instruments that cause losses in the value of financial assets of the company.

B. The method of controlling:

- a. Monitoring market risk metrics.
- b. Foreign exchange risk management.
- c. Stop loss and limit control.
- d. Scenario analysis; stress test.
- e. Price deviation management.
- f. Derivatives management.
- g. Mechanism for evaluation of financial assets.

(2) Credit Risk

A. Definition: Risks in the loss of claims of the company because the counterparties or the debtors do not fulfill their contractual obligations.

B. The method of controlling:

- a. Evaluating transaction counterparty, issuer, and guaranty institutions before a transaction and verifying the legality of transactions.
- b. Follow-up on positions after the investment.
- c. Monitoring credit risk metrics.
- d. Limit management for credit and investment risk.
- e. Scenario analysis; stress test.
- f. Report on credit risk emergencies.
- g. Evaluating the risk of lending operation and risk management operation.
- h. Management of collateral for derivatives.

(3) Country risk

A. Definition: The risk of market price fluctuation, securities issuers or debtors unable to pay off debts due to political or economic factors in the countries where the Cathay Life and Cathay Century Insurance subsidiaries hold loans, financial investments, and long-term equity investments, resulting in the risk of damage to the asset value of these subsidiaries.

B. The method of controlling:

- a. Defining country risk grades, limits and surveillance.
- b. Regular inspection of country risk condition.

(4) Liquidity Risk

A. Definition: It is classified as “fund liquidity risk” and “market liquidity risk”. “Fund liquidity risk” refers to the risk with which the company cannot turn assets into cash or acquire enough funds and therefore cannot fulfill obligations that are due. “Market liquidity risk” refers to the risk of significant changes in market prices when it disposes of or offsets the positions it holds because there is not sufficient depth in the market or the market is in chaos.

B. The method of controlling:

- a. Fund reporting.
- b. Cash flow analysis.
- c. Managing the maturity date of funds.
- d. Monitoring fund liquidity risk assessment indicators and scenario analysis.
- e. Evaluating and selecting the liquidity of investments.
- f. Market Liquidity Risk Assessment.
- g. Emergency response mechanism.

(5) Operational Risk

A. Definition: Losses caused by errors or malfunctions of internal operation, personnel, and system, or losses caused by external incidents. This includes legal risks but does not include strategic risks and reputation risks.

B. The method of controlling:

- a. Internal control and internal audit.
- b. Legal risk management mechanism.
- c. Reporting operation risk incidents.
- d. Crisis management for emergencies.
- e. Money laundering prevention operating procedures.
- f. Information Security Management
- g. Personal Information Management
- h. Business continuity management.

(6) Insurance risk

A. Definition: It refers to the risk that the company assumes from the insured after collecting a premium in operating the insurance business. It refers to the risk of loss caused by unexpected changes when the company pays indemnity and associated expenses.

B. The method of controlling:

- a. Product design and pricing risk – evaluating the appropriateness of product design details, the reasonableness of product pricing, product risk identification and evaluation, the adequacy of product rates, and after-sales experience tracking and analysis.
- b. Underwriting risk – establishment of robust underwriting systems, procedures, manuals or guidelines, development of intelligent underwriting risk model, automation assistance underwriting decision, and monthly monitoring of underwriting indicators.
- c. Reinsurance risks - Formulate a reinsurance risk management plan, track the credit ratings of reinsurers, and collect reinsurance payments receivable.
- d. Catastrophe risk – regular monitoring of the accumulated retained amount of natural disasters risks, periodically evaluating the loss when a catastrophe occurs, and properly diversifying company risk.
- e. Claim risk – detecting claim risk, reporting exceptions, management by the hierarchy such as reporting along the hierarchy.
- f. Reserve risk - provision of adequate reserves for the products involved, and regular analysis and review of reserve adequacy.

(7) Risk in matching assets and liabilities

A. Definition: It refers to the risk caused by the disparity in the change in value of assets and liabilities due to reasons in the external environment of an insurer.

B. The method of controlling:

- a. Cash flow test and monitoring of duration.
- b. Analyses for defined scenarios and random scenarios.
- c. Analyses for fair values of liabilities, covenant values, and net worth.

(8) Capital adequacy

A. Definition:

- a. The capital adequacy ratio refers to the ratio of adjusted net capital to risk-based capital calculated based on risk-based capital (RBC) pursuant to the Insurance Act and the Regulations Governing Capital Adequacy of Insurance Companies.
- b. Net worth ratio is calculated by dividing Cathay Life and Cathay Century Insurance subsidiaries' equity with total assets excluding investment-linked insurance asset account, as shown in audited (or auditor-reviewed)

financial reports. This excludes circumstances where the authority has regulated otherwise.

B. The method of controlling:

- a. Regular monitoring of capital adequacy ratio and net worth ratio.
- b. Assessment of capital adequacy ratio and net worth ratio impacts and responses caused by specific investments or business activities.
- c. Assessment of capital adequacy ratio and net worth impacts and responses caused by major events (e.g. change of regulation).

(9) Operational Risk

A. Definition: Direct or indirect possible losses caused by all factors of operation of an insurer.

B. The method of controlling:

- a. The key attentions for handling material incident, and the reporting mechanisms for operational risks, personal information infringement and disaster incidents are established, and such are reviewed and amended to cope with the laws and regulations, as well as practical operations.
- b. Implementation of the self-inspection system: members of each unit inspect each other's actual business implementation, and the supervisor of each unit or personnel at or above the equivalent level are responsible for supervising the implementation, to discover operational deficiencies as early as possible for correcting such in a timely manner.
- c. Perfect legal compliance system: the chief compliance officer at the head office properly test whether the personnel in charge of each operation have indeed complied with relevant laws and regulations (including compliance risk assessment report and supervision and improvement of vulnerabilities, management of amended laws and regulations, self-assessment of compliance, due and appropriate legal training for personnel of each unit) based on the legal compliance plan approved by the board of directors.
- d. Risk control mechanism: establish an independent and effective risk management mechanism to assess and monitor the Company's risk appetite, and the current assumed risks, to determine the responding strategies for risks and how the risk management procedures are complied with.
- e. Healthy internal audit and internal control system: the audit unit conducts audits and evaluations for the internal control system, to measure the effectiveness and compliance of the current policies and procedures, and their impact on various operational activities, to assist the board of directors and management in assessing whether the internal control system is operating effectively, while providing improvement advice in a timely manner, to ensure the internal control system to be implemented continuously and effectively and to serve as a basis for reviewing and amending the internal control system.
- f. The independent director and supervisor system: the board of directors recognizes the risks faced in operations, supervises the operating results, and assumes the ultimate responsibility to ensure the establishment and maintenance of an appropriate and effective internal control system, to promote the healthy operation of the insurance industry and achieve the effects of operating profitability and performance.

(10) Information security risk

A. Definition: Refers to direct or indirect risks that are likely to cause damage to the confidentiality, integrity and availability of information assets of the life insurance and property insurance subsidiaries.

B. Method of controlling: Information security and personal information are managed according to the following cycle:

- a. The Company has established an information security management system based on the Company's overall strategy and goals, and considered the four aspects of system management, control measures, risk early warning, and crisis management.
- b. Regularly perform information security risk assessments in response to internal and external events and potential threats, and establish or amend the necessary control mechanisms based on the results.
- c. Supervise the implementation of information security management system operations and check the effectiveness.
- d. The system is constantly maintained and improved upon based on findings and recommendations of the audit/supervision.
- e. The Company conducts information security drills such as social engineering, white hat hackers, major accidents, blackmail, digital identification, and DDoS attacks to ensure the handling capacity in case of a threat.
- f. The Company provides appropriate information security training for personnel of all units to strengthen the information security awareness of all employees.

(11) Personal data risk

- A. Definition: Refers to any damage caused to the life insurance or property insurance subsidiaries due to theft, tampering, damage, loss or leakage of personal data.
- B. The method of controlling:
  - a. Personal data collection, processing, use, and shielding mechanism.
  - b. Personal information risk assessment.
  - c. Business Information Flow (BIF) system.
  - d. Drills and management of personal violation incidents.

(12) ESG and Climate Risk

- A. Definition: ESG risks include environmental risks (such as climate and natural issues), social risks and corporate governance risks. Climate-related risks are one of the environmental risks in ESG risks. This refers to the potential negative impact of climate change and natural environment change on enterprises, which is mainly divided into transformation risks and physical risks.
- B. The method of controlling:
  - a. Implement governance by the management and control ESG and climate risks through three-tier control.
  - b. Regularly perform climate scenario analysis to monitor related risks.
  - c. Formulate the quantitative climate risk and develop related limit management mechanisms.

(13) Reputation Risk

- A. Definition: The risk of damage to brand value and shareholder equity due to improper behavior or negative media reports, which may have a negative impact on the reputation of the life insurance and property insurance subsidiaries.
- B. The method of controlling:
  - a. Risk assessment
  - b. Single platform notification and response mechanism.

2. Quantitative information on risk exposure:

- (1) The company defines risk appetite each year and defines all types of risk limits and risk levels based on risk appetite. The company calculates and monitors all

types of risk monitoring indicators and plans response measures when specific risk levels are reached.

- (2) The capital adequacy ratio and net worth ratio are calculated regularly according to the risk based capital (RBC), to meet the statutory minimum requirements.
- (3) Regular calculation of reserve-weighted interest rate, value of new business and liability figures for decision-making.

### **Cathay United Bank:**

1. Cathay United Bank subsidiaries face and the method of controlling them are as follows:

#### **(1) Credit Risk**

A. Definition: The default loss risk arises when the borrower or counterparty of the Bank's loan is unable to perform its contractual obligations, including credit risk, investment risk and various derivatives or contracts derived from credit, investment and other financial products.

B. The method of controlling:

- a. The company prudently evaluates the risks of customers based on credit investigation and credit extension regulations to implement Know Your Customer (KYC) policies.
- b. After a loan is granted, the company performs periodic review and account monitoring measures based on management policies during the life of the loan to improve overall asset quality.
- c. The Bank follows the New Basel Capital Accord and calculates credit ratings based on the Internal Ratings-Based Approach. The principles cover the creation of various regulations and systems. These include the creation of systems and regulations such as credit granting procedures; limit management, information on the levels of credit rating, information on collaterals, periodic review, and subsequent management.

#### **(2) Market Risk**

A. Definition: The loss that may be incurred internally or externally due to the unfavorable changes in the market price of the assets and liabilities, including all exchange rate positions and commodity positions in the trading book and the trading book interest rate positions and equity securities positions.

B. The method of controlling:

- a. The company periodically provides management information and statements to supervisors with appropriate authority.
- b. Market risk identification, assessment, and control measures are duly enforced within Cathay United Bank, whereas the correctness and rationality of principles, tools and market data used in valuation, including the basis of valuation and the fairness of information obtained, are verified on a regular basis.
- c. Develop a quantitative market risk management model that conforms to international practices.

#### **(3) Operational Risk**

A. Definition: Losses caused by errors or malfunctions of internal operation, personnel, and system, or losses caused by external incidents. This includes legal risks but does not include strategic risks and reputation risks.

B. The method of controlling:

- a. The company executes the goals of identifying, evaluating, monitoring, and controlling/offsetting operational risks with substantive policies and implementation procedures.

- b. All units ensure the appropriateness of the delineation of authority and responsibility and reporting procedure based on the hierarchical responsibility table, and reporting procedure and mechanisms.
- c. The Company has established a measurement and control mechanism for its core products, operations, operating procedures, and information systems in accordance with the Basel II Accord, covering the refinement of the operational risk management related systems, planning of routine monitoring reports, completion of emergency response handling procedures and related items.

#### (4) Liquidity Risk

- A. Definition: The risk of not acquiring funds at a reasonable price in a reasonable time period to support the increase in assets or settle the maturity of liabilities.
- B. The method of controlling:
  - a. Establish various management systems and systems for measuring and controlling liquidity risks, reporting procedures and monitoring mechanisms, and stress testing, etc.
  - b. The liquidity risk management indicators are developed, the alerting thresholds are set, and limits are monitored; adverse factors to liquidity are analyzed and countermeasures are taken immediately to eliminate the impacts.
  - c. The Company produces a monthly liquidity risk management report and submits it to the Asset and Liability Management Committee to monitor changes in liquidity risk.
  - d. The Bank analyzes and adopts measures in response to changes in daily cash flow and market conditions, and adjusts its liquidity gap to ensure suitability of liquidity when the bank liquidity position faces or is expected to undergo major changes. It convenes extraordinary asset and liability management committee meetings when necessary to respond.

#### (5) Information Security Risk

- A. Definition: The substantive or potential risks to the income or capital caused by the deficiencies in the management and control of information technology and processing procedures, the incompleteness of information technology strategies and policies, or the improper access and use of important information.
- B. The method of controlling:
  - a. The Company has established a dedicated unit for information security that specializes in information security affairs and is independent of the information security unit. The unit is organized at a position equivalent to that of a senior vice president and is headed by a senior vice president or higher-ranking executive.
  - b. The information security unit is responsible for planning, monitoring, and implementing information security management operations, and shall make necessary modifications each year based on the latest developments in government laws, technology, and business, in order to ensure the effectiveness of information security practices.

#### (6) Reputation Risk

- A. Definition: The Bank or its subsidiaries (including employees) are exposed to the risk of damage to their brand value and shareholder equity due to improper behavior or media coverage, and must adopt countermeasures in response.
- B. The method of controlling:
  - a. Assess and respond to risks based on the nature, severity, communication speed, scope of impact, and development trends of risks.

- b. The relevant units of the incident shall observe the development trend of the incident or the negative impact caused by media coverage, and shall follow internal relevant regulations to conduct external crisis management, providing explanations and facts clarification when necessary.
- c. Regularly compiles incident information and reports to the Risk Management Committee.

#### (7) ESG and Climate Risk

A. Definition: The borrower or counterparty has not properly implemented governance, is not aware of its social responsibilities, is not engaged in sustainable development, or is not striving to reduce damage, pollution, or support for low-carbon economy in the course of construction, production, operation, or investment activities, and thus has caused negative impact to the environment and society, or has caused substantial or potential losses to the Bank's image due to extreme climate change or other events.

B. The method of controlling:

- a. Pursuant to the International Equator Principles and voluntary compliance with the UN Responsible Bank Principles, by integrating advised financial disclosure frameworks related to the climate change, the relevant indicators are regularly monitored, and climate risks are analyzed, assessed and managed.
- b. By identifying the ESG and climate risks of customers, counterparties and portfolios, the risk appetite of banks are considered, and the extent, frequency and importance of climate risks are assessed and analyzed, with countermeasures formulated.

#### (8) Capital Adequacy Management

A. Definition: The Bank seeks to achieve a capital adequacy ratio that meets the authority's requirements, while balancing business growth and risk management, and managing capital throughout the Bank in a manner that ensures a sound capital structure. This is to maintain the capital adequacy ratio at a healthy level.

B. The method of controlling:

- a. Capital adequacy ratio is regularly calculated, reported, disclosed and managed according to internal and external rules, with proper actions taken in response to breaches.
- b. The evaluation and responses for the effect of specific investments or services on capital adequacy ratio.

#### 2. Quantitative information on risk exposure:

The company periodically calculates all types of quantitative risk exposure information and discloses them pursuant to applicable laws. Such information covers capital adequacy, loan asset quality, profitability, and sensitivity analysis to comply with regulations.

### **Cathay Securities:**

#### 1. Cathay Securities subsidiaries face and the method of controlling them are as follows:

The subsidiary has already formed an independent risk management unit and codified risk management policies and management guidelines on market risk, credit risk, operational risk, liquidity risk, capital adequacy, ESG and climate risk and reputation risk. These policies and guidelines clearly define the control mechanism on all sources of risks so that the company can implement risk management regulations. The execution of the risk management policy and risk measurement standards is as follows:

#### (1) Market Risk

A. Definition: The Company's investment positions (including stocks, bonds, and derivatives) are affected by changes in the market factors of prices, interest rates, and currency exchange rates of financial instruments, which in turn affect the risk of losses on the value of financial assets of the subsidiary securities firm.

B. The method of controlling:

Codifying trading regulations based on the nature of products and departments and the actual operation. Clearly defining the authorization limit, risk limit, stop loss, and over-the-limit process methods; effectively implementing control mechanisms with middle office risk control personnel in the sales department and real-time monitoring system. Additionally, providing risk management reports, including market price evaluation, the amounts of over-hedging and under-hedging, Value at Risk (VaR), model back testing. The subsidiary performs stress tests based on different extreme scenarios and sensitivity factors to effectively control the risks assumed by the company and manage overall risk.

## (2) Credit Risk

A. Definition: The risk of loss incurred by the subsidiary securities firm due to the financial deterioration of the counterparty or debtor, or other factors, resulting in the failure to perform its contractual obligations.

B. The method of controlling:

Implementing the evaluation on the credit standing of the counterparty before the trade, intraday control and risk exposure management after the trade. Controlling risks that may arise from securities trading according to credit valuation models.

Defining trading limit on investment positions or derivatives based on the credit rating of the counterparty (TCRI, Taiwan Ratings, S&P, Moody's, Fitch) and performing examinations on investment risk concentration and risk exposure on a regular basis. In addition, periodically inspecting clients in the high risk zone of margin trade maintenance ratio of their entire accounts, and the stocks whose margin balances were over a certain level of the margin balance in the market. Creating a credit risk emergency reporting mechanism along with the financial holding company.

## (3) Operational Risk

A. Definition: Operational risks refer to losses caused by inappropriate action or mistakes in internal operation, personnel, or system; or by external events. Such risk includes legal risks but does not include strategic risk or reputation risk.

B. The method of controlling:

Creating authorization and segregation of duties and rights on the operating processes in the front office, middle office, and back office. Documents for trading, trade confirmation, delivery, and accounting shall be filed for review. Establish stringent operation procedures. Prevent inappropriate human error and frauds. Strictly requiring all departments to create and implement internal audit and internal control measures. Creating an operational risk loss incident reporting mechanism and loss database as well as the system error improvement schedule tracking system to have an in-depth understanding of the reason behind the loss caused by the system or personnel. Additionally, the company has an internal audit office that reports to the Board and performs audits on routine operations so that the company can implement effective internal audit and internal control and compile audit reports on a regular basis. The company seeks to lower the loss from all operating errors.

## (4) Liquidity Risk



A. Definition: Fund liquidity refers to the realization capacity that a company acquires funds to maintain its operational needs and the capacity to fully cover asset growth and repay liabilities; market liquidity is to avoid and manage the risk of losses resulted from the fluctuations of market price when disposing or offsetting positions held in the situation of insufficient market depth or market disorder.

B. The method of controlling:

Defining liquidity risk indicators and compile fund liquidity risk management statements to review fund conditions and maturity date gaps for assets and liabilities. The preparation of structure analysis table of asset and liability maturity dates serves as a basis of fund planning. Also, we periodically perform fund liquidity simulations to ensure that we have response mechanisms under extreme conditions to meet fund gaps. We also acquire short-term financing credit from other financial institutions and manage fund inflow and outflow from such short-term financing to maintain proper liquidity and ensure the payment capabilities of the company. The investment unit shall conduct market liquidity risk control during the purchase in accordance with the market liquidity management indicators and regulations.

#### (5) Legal risk

A. Definition: The risk that arises because of defects in the contract or the eligibility of the counterparty that void the contracts or cause breaches of contracts.

B. The method of controlling:

We define the process of drafting and reviewing legal documents. Documents related to contracts are all signed-off at the legal department and reviewed by external attorneys as necessary.

#### (6) Capital Adequacy Management

A. Definition: Capital adequacy management is the foundation of the company's capital management. We maintain proper capital adequacy ratio, ensure the integrity of our capital structure, and produce steady growth of our business.

B. The method of controlling:

We define capital adequacy measurement indicators and compile capital adequacy management statements on a regular basis to evaluate the appropriateness of the company's capital adequacy ratio and the integrity of our capital structure. When allocating risk-based capital, we also conduct allocations aiming at maximizing the profits under the premise of ensuring that the capital adequacy ratio meeting the internal standard.

#### (7) Reputation Risk and Strategic risk

A. Definition: Reputation risk is the risk that may result in a shrinking customer base, decline in revenue, a burden of enormous litigation fee, or other possible losses, due to negative matters in the company's operation, whether the matter is real or alleged. Strategy risk is the risk of immediate or future possible loss to revenue or capital because of wrong business decision, or poor execution of decision, or the lack of proper response to competitors, or the lack of proper response to changes in the industry.

B. The method of controlling:

Formulate major event response measures and a risk notification system for reputation risks and strategic risks to reduce losses when a reputation risk event occurs. Additionally, every six months, we present reputation risks reports to the Risk Management Committee and the Board and notify the Risk Management Division of the Financial Holdings with our clarification on the company's assumption of risks and the appropriateness of current risk management regulations.

#### (8) ESG and Climate Risk

A. Definition: ESG risks include environmental risks, social risks and corporate governance risks; climate-related risks are part of environmental risks, referring to the potential negative impacts of climate change on the Cathay Securities subsidiaries, mainly divided into transition risks and physical risks.

B. The method of controlling:

Establishing the ESG and climate risk measurement indicators and control mechanisms, with regular monitoring, assessment and analyses of climate-related risks, to avoid or reduce any possible material impact on the Company's Cathay Securities business development.

We codify risk management policies and guidelines for the aforementioned sources of risks. We clearly define the management mechanism for all sources of risks and create risk limit indicators and periodically review the appropriateness of these indicators. Additionally, every six months, we present risk management execution reports to the Risk Management Committee and the Board and notify the Risk Management Division of the Financial Holding with our clarification on the company's assumption of risks and the appropriateness of current risk management regulations.

2. Quantitative information on risk exposure:

- (1) On a regular basis, we produce quantitative statements, including: market risk value, risk value to risk value limit (the indicator is one day risk value at 99% confidence interval in the low risk interval that does not exceed 2.8% of the net asset of the company over the entire year); all types of sensitivity and stress scenario analysis; investment and loan concentration management and country limit management; asset and liability gap control and inspection for all periods; authorization, risk, and gain or loss of derivatives. The subsidiary presents the statements to top management to form the basis of decision making.
- (2) Liquidity risk management reports are prepared on a regular basis to facilitate the monitoring of the maturity gap of assets and liabilities. Judging by the sum of cumulative gap plus available banking facilities (including overdraft), the Company exhibited no liquidity shortage in any maturity interval throughout 2024; furthermore, liquidity ratios for foreign currencies were maintained above 100% throughout 2024.
- (3) Calculating net adjusted capital adequacy ratio according to regulations on securities brokers and rules from regulators. In 2024, the capital adequacy ratio figures were between 421% and 551%, meaning that they were all above the internal risk control indicator of 250%.

### **Cathay Venture:**

1. The risks faced by venture capital subsidiaries and the control methods are as follows:

(1) Market Risk

A. Definition: Risks arising from price changes in financial market instruments that cause losses in the value of financial assets of the company.

B. The method of controlling:

- a. Holding investment management meetings on a regular basis.
- b. Decisions on investments in or disposal of assets are approved over an escalation of hierarchy according to the internal stratified responsibility table.
- c. Providing post-investment management reports periodically.
- d. Risk management execution report.

(2) Liquidity Risk

A. Definition: Liquidity refers to the ability of a company in acquiring funds to maintain the liquidity it needs and to fully pay for the growth in assets and settle liabilities.

- B. The method of controlling:
  - a. Asset allocation analysis.
  - b. Cash flow analysis.
  - c. Inspecting long- and short-term debt ratio on a regular basis.

(3) Operational Risk

A. Definition: Direct or indirect possible losses due to various operational factors.

B. The method of controlling:

- a. Particulars on processing significant events and reporting mechanism for operational risk loss incidents.
- b. Robust internal audit, internal control and compliance systems.
- c. Conveying the information of changes in regulation; performing legal compliance review and report on a regular basis; regular training and education for the legal compliance personnel.

(4) ESG Risk

A. Definition: ESG risks include environmental risks, social risks and corporate governance risks.

B. The method of controlling:

Through pre-investment field inspection and post-investment periodic update of ESG information of investment subject matter, in order to properly manage the ESG risk of investment subject matter.

2. Quantitative information on risk exposure:

Disclosing worldwide investment exposure to regulators pursuant to applicable laws and declaring the amount of investment exposure pursuant to categories such as the group investment limit, high risk industry, and strategic developing nations defined by the Financial Holding.

**Cathay Investment Trust:**

1. Cathay Investment Trust subsidiaries face and the method of controlling them are as follows:

(1) Market Risk

A. Definition: Market risk refers to the risk that fluctuations in the value of financial assets due to uncertainties in market price in a certain period of time could cause impairments to the net value of portfolios of funds or managed accounts. For example, fluctuations may be changes in the interest rates, exchange rates, and prices of equity securities and commodities.

B. The method of controlling:

Market risk management focuses on regulating the company as a whole, and the portfolios of mutual funds and managed accounts based on investment objectives, investment characteristics, and investment restrictions. Its details include disclosure of market risk, restrictions on the range of investment trading, investment limit authorization level, and over-the-limit procedures.

(2) Credit Risk

A. Definition: Credit risk refers to the risk of bad credit record from financial forecasts, statements, important messages of the issuing company of the investment, and the risk of failure to settle and deliver by the counterparties of the trade, such as securities brokers, futures brokers; bills finance firms, and banks.

B. The method of controlling:

Credit risk management is mostly performed with the screening mechanism that reduces the credit risk of the investment. The screening mechanism includes reviews on financial indicators of investments and the change in management of securities issuers and external auditors. The Cathay

Investment Trust subsidiaries use external credit rating databases to evaluate the credit risk of counterparties in the trades and adjust our own credit rating on counterparties in the trades to effectively control the credit risk of our investments.

(3) Liquidity Risk

A. Definition: liquidity risk refers to the investment risk caused by an over-concentrated portfolio or plummeted trade volume, which are difficult to realize in a short period of time, and which further affects the redemption payment or position adjustment.

B. The method of controlling:

The control of liquidity risk focuses on monitoring quantitative indicators, such as the quantity of stocks in portfolios, concentration of stock holding, concentration of sectors, asset liquidity, and liquidity reserve ratios.

(4) Operational Risk

A. Definition: Operational risks refer to losses caused by inappropriate action or mistakes in internal operation, personnel, or system; or by external events.

B. The method of controlling:

The management of operational risk mostly depends on executing controls based on the operating procedures and focuses defined by internal control processes of the company. We should also create proper control mechanisms through the information system against operational risks in business and trading processes to reduce human error.

(5) ESG Risk

A. Definition: ESG risks include environmental risks, social risks and corporate governance risks.

B. The method of controlling:

The ESG risk management mainly refers to grasping the ESG risks of investment targets through internal and external ESG information.

(6) Other Risk

A. Definition: Other risks include legal risks, reputation risks, and strategic risks, which are significant risks that are not quantifiable.

B. The method of controlling:

The major process mechanism is initiating the risk management mechanism. The Risk Management Department manager notifies the Risk Management Committee to hold risk management meetings from time to time to propose emergency response measures. Based on their duties, members of the Risk Management Committee can also convene meetings on their own initiative.

2. Quantitative Information on Risk Exposure:

(1) We create management mechanism on quantifiable risks, such as market risk and credit risk, from our information system. We create quantitative models on market risk with the risk control system and disclose risk values.

(2) We perform evaluations on the operational effectiveness of risk management. The components of the evaluation include whether the practices are in line with the expectations of the Board, whether risk management is independent, whether the execution of risk management is thorough, and whether the overall risk management infrastructure is complete. We present reports to the Board on a regular basis.

**(III) Financial impacts and response measures of the financial holding company in the event of changes in local and foreign regulations**

Regulatory changes and major policies	Response measures
In order to strengthen the management of sustainability information and improve the quality of disclosure by financial holding companies and the banking industry, the Financial Supervisory Commission has asked our member institutions to refer to the Commission's "Guidelines for Public Companies to Establish Internal Control Systems" and other relevant regulations in handling the management of sustainability information. Please refer to it for reference.	The company has reviewed the revised content and the relevant units have cooperated in handling it.

**(IV) Effect on the financial holding company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response**

In response to technological changes, Cathay Financial Holdings will continue to focus on the four main axes of "digital", "data", "technology" and "talent" and move towards the goal of becoming a "technology company that provides financial services". In addition to continuously expanding the application areas of digital transformation, we integrate fragmented financial services into customers' life scenarios, improve customer convenience in various ecosystems, and pool the group's resources to build a one-stop platform for financial services to create the ultimate user experience. We hope to create future finance through financial technology as the foundation and customer-oriented core thinking. Furthermore, Cathay Financial Holdings has always valued stability as part of its operations, and places equal emphasis on risk management and asset quality while pursuing business success and profit performance.

**(V) Major impact on the company from the corporate image shift of the Financial Holdings and its subsidiaries, and ensuing actions**

Cathay Financial Holdings leverages its core financial competencies to strengthen its commitment to ESG development and corporate resilience. Cathay is building a digital financial services ecosystem through both internal and external financial innovation and digital transformation. Meanwhile, it aspires to be recognized as a leading financial institution in the Asia-Pacific region. Cathay is actively promoting the value of "BETTER TOGETHER," aiming to stand alongside the people of Taiwan to build a more sustainable future, a smarter digital life, and a healthier home.

In response to incidents that may impact brand reputation, Cathay Financial Holdings has established the "Media Information Disclosure Policy" and the "Major Crisis Event Handling Guidelines," which are followed by the company and its subsidiaries. These regulations define procedures and protocols for media interviews and crisis communication. For material information and press releases, designated departments are responsible for disclosing information to the public. These units also monitor brand image trends in the market on a daily basis and remain attentive to stakeholder feedback to safeguard their rights and interests. All business units have established mechanisms and measures to respond promptly to crises, working jointly to uphold the corporate brand image.

**(VI) Potential effects and risks associated with mergers and acquisitions and response measures**

■ **Equity participation case**

In July 2023, the Board of Directors of Cathay Life Insurance, a subsidiary of our company, resolved to convert its 100% shares of Conning Holdings Limited and its branches into 16.75% of the equity of Generali Investment Holdings (GIH), an asset management company of the Generali Group, through equity conversion. Cathay Life obtained approval from the Financial Supervisory Commission on December 21, 2023 and the Investment Review Department of the Ministry of Economic Affairs on February 29, 2024, respectively, and completed the transaction on April 3, 2024.

■ **Expected benefits after equity participation:**

Generali Group are expected to create an AUM of more than US\$700 billion through the equity swap with Cathay Conning, which can significantly enhance the global position of GIH AUM, expand its visibility in key markets in the U.S. and Asia, and provide customers with more international and diversified services and create greater value for shareholders. As a shareholder of GIH in the future, Cathay Life Insurance Co., Ltd. will be able to share its operating results.

■ **Possible risks and response measures:**

Generali Group, headquartered in Italy, is one of the largest insurance and asset management groups in the world. Its management has years of experience in Europe, while the management of Cathay Conning is deeply rooted in the U.S. market. Both parties have complementary benefits. In the future, the subsidiary, Cathay Life Insurance Co., Ltd., will participate in the operation of GIH's board of directors, support the management team after the merger, and reduce operational and management risks by borrowing their familiarity with local markets and businesses. It will also conduct investment performance and business review for this case and propose to the Board of Directors for report or discussion.

**(VII) Risks associated with concentration of business activities and response measures**

The business scopes of the Company's subsidiaries cover the life insurance, property and casualty insurance, banking, and securities, among various financial professional fields; with wide range of products and services; with the gradually expanding geographic extent of operations and overseas operation scope, the overall asset portfolio of the Group are getting diversified, to sufficiently lower the operating risk due to the concentration of the business.

**(VIII) Impact and risks brought by significant shareholdings transfer by the Directors, Supervisors, or shareholders with more than 1% ownership, and the remedial actions**

Currently there is no massive shareholdings transfer or change from our directors or supervisors. Any share disposition from shareholders with more than 1% ownership shall not bring impacts or risks to us.

**(IX) Impacts, risks and response measures associated with a change to the management of the financial holding company:**

The Company's operating concession is stable with no significant change.

**(X) Litigations or non-contentious matters: List the directors, supervisors, general managers, the persons in charge, and major shareholders with more than 1% of shareholding of the Financial Holding Company and its subsidiaries; major lawsuits, non-contentious matters or administrative procedures involving the**

**subsidiaries with a determined court ruling or that are still pending, that may significantly affect the shareholders' equity or the stock price of the Financial Holding Company. Disclose the factual accounts of the cases, the amount involved, the date of the commencement of judiciary proceeding, the parties concerned, and the status of the cases as of the date this report was printed.**

1. As of March 30 2025, Cathay Life Insurance Co., Ltd. (hereinafter, "Cathay Life") was involved in two major lawsuits which are still unsettled due to normal business relations. The details are elaborated below:

(1) For the pursuit of its investment objective in the period of 2003 to 2007, Cathay Life subscribed to shares from Fairfield Sentry Limited, and redeemed the shares as agreed for USD 24,496,798.58. Bernard L. Madoff Investment Securities LLC (Madoff's asset management company), and investee of Fairfield Sentry Limited, was allegedly involved in a Ponzi Scheme, and is in liquidation procedures at BVI (Madoff's asset management company is also in liquidation procedures). The liquidator of Fairfield Sentry Limited and the official receiver of Madoff's asset management company filed a lawsuit against Cathay Life at the United States Bankruptcy Court of New York State in March 2011 and December 2011, respectively. They claimed that Cathay Life must return the proceeds from the redemption of shares to the liquidation panel. In addition, a lawsuit against Cathay Life and Bernard L. Madoff Investment Securities LLC was raised in US bankruptcy court. Cathay Life has already retained lawyers to defend the charges. Both cases are still under process, Cathay Life and the attorneys hold that these cases will not cause significant impact on the financial position of Cathay Life.

(2) Cathay Life has generally assume all the assets, liabilities and enterprise of Global Life Insurance Co., Ltd (hereinafter, "Global Life") on July 1, 2005. It was found that in October of 2003, Global Life purchased from Taipei District Court by way of auction, the following real estates: (1) the second, third , fourth, fifth, and sixth floor of No.50, Sec.1, Zhongxiao West Road, Zhongzheng District, Taipei City, and (2) fifty parking spaces located on the fourth and fifth floor underground in the same building (collectively, the "Real Estate"). The bid was submitted in the name of Chou, Tsai-Fa (the "Defendant"), special assistant of Global Life's then chairman. Subsequent transfer and registration as owner of the Real Estate were all completed in the name of the Defendant. The Defendant subsequently embezzled the Real Estate, which led to Global Life's claiming for the return of the Real Estate and relating rents.

On the 30th of April, 2013, Taipei District Court has rendered its judgment in favor of Global Life, to the effect that Global Life is entitled to NTD 1,461,616,737, the proceed from auctioning the Real Estate. The judgment is overruled by the Taiwan High Court on the 30th of June, 2015. The Supreme Court has thereafter, on the 21st of April, 2016, overruled the 30th of June, 2015 Taiwan High Court judgement, and remanded the case to the Taiwan High Court. On June 27 2018, Taiwan High Court has rendered remand first instance

judgement. Cathay Life is entitled to not only NTD 1,461,616,737, the auction price of Real Estate, but also a claim of NTD 37,007,940. The Supreme Court overruled the June 27 2018 Taiwan High Court judgement on June 21, 2019, and remanded the case to the Taiwan High Court. On August 30 2022, Taiwan High Court has rendered its judgment in favor of Cathay Life, to the effect that Cathay Life is entitled to the aforementioned auction price of Real Estate. Due to the Defendant's appeal to the Supreme Court, the Supreme Court has thereafter overruled the August 30, 2022 Taiwan High Court judgement, and remanded the case for further review on June 18, 2024. The case is currently under the third trial at the Taiwan High Court. Cathay Life has assume Global Life's action in accordance with the applicable law. Cathay Life and the attorneys hold that these cases will not cause significant impact on the financial position of Cathay Life.

2. As of March 30 2025, the wholly-owned subsidiary, Cathay United Bank Co., Ltd. (hereinafter, "Cathay United Bank"), is subject to a major ongoing lawsuit arising in the normal course of business. The details are elaborated below:

Lee & Li, Attorneys-at-Law (hereinafter, "Lee & Li") alleged that the embezzlement case of Liu Wei-Chieh (a former employee of Lee & Li), which occurred in October 2003, was caused by the negligence of Cathay United Bank, and Lee & Li claimed damages from Cathay United Bank in the amount of approximately NT\$991.002 million. The case was brought to the court in July 2007, and Cathay United Bank won favorable decisions in both first instance and second instance. The original second-instance judgment was reversed and remanded by the Supreme Court. The Taiwan High Court ruled in favor of Cathay United Bank in the retrial procedure on August 25 2021. Later, Lee & Li has appealed to the Supreme Court, and was dismissed by the Supreme Court, Cathay United Bank won favorable decisions final and binding on December 14 2023. However, Lee & Li has initiated rehearing actions to the Taiwan High Court and the Supreme Court, claiming damages from Cathay United Bank in the amount of NT\$1.51 million and NT\$900 million separately. The first claim was dismissed by the Taiwan High Court on July 12 2024. Though Lee & Li has appealed to the Supreme Court, it was also dismissed by the Supreme Court on December 11 2024. The second claim was dismissed by the Supreme Court on September 4 2024. Thus, Cathay United Bank has won both favorable decisions final and binding. These cases are closed. Cathay United Bank and its attorneys hold that these cases will not have material adverse effect on the financial position of Cathay United Bank.

#### **(XI) Other material risks and corresponding measures**

None.

## **VII. Responding Mechanism to the Crisis Handling**

### **(I) Contingency measures for business crisis**

1. The Company and its subsidiaries have established the "Contingency measures for business crisis" to effectively deal with crises in a timely manner and reduce the impact of major or unexpected events on the Company and its subsidiaries.
2. In case of business crisis or systemic risk crisis in the financial market, the Company and/or its subsidiaries shall report to the financial holding company and establish a



crisis management team to initiate the crisis management mechanism, grasp the reason for the crisis, and discuss a response plan in accordance with the “Business Crisis Response Measures Management Guidelines” of each company and release material information when necessary. If financing or fund-raising is involved, the responsible unit shall initiate an emergency fund response plan.

## **(II) Major Event Control**

1. The Company has established the “Regulations Governing the Handling of Material Crisis Events of the Company and Subsidiaries” and the “Regulations Governing the Handling of Material Events” to regulate the reporting and response procedures of the financial holding company and its subsidiaries in the event of a major event, reduce the impact of the major event on the Company and its subsidiaries, and handle various unexpected situations.
2. When a major event occurs, the subject unit should immediately report to its direct supervisor and then notify the Company, in addition to taking timely and appropriate actions.
3. If the major events are special and required preventive actions from all business units, the Risk management Division should provide solutions.

## **(III) Credit Event Control**

1. To refine our risk management and minimize adversity caused by sudden credit events among our debtors or investees, we have developed “the Credit Emergency Reporting Guideline” for appropriate reporting procedures.
2. Reporting items: warning event reporting and major event reporting.
3. Reporting procedure: The business unit should report to both the subsidiary’s risk management department and the Company’s risk management division immediately when warning, major event, or reportable event occurs among debtors or investees. The Risk Management Division should aggregate the Group’s exposure amount and provide solution, when needed.

## **VIII. Other Major Events**

Through the compilation of external emerging risk factors of future concern, the Company will focus on the impact of business and management actions with responsible units and subsidiaries, and identify the emerging risks of this year as AI risks, social isolation and loneliness risks.

Risk Item/Descriptions	Risk Category	Impact and influence	Response measures
<p><b>AI Risk</b></p> <p>As AI technology continues to advance and new applications emerge, the combination of different models and tools is making fraud and cyberattacks—especially those using deepfakes or generative AI—more sophisticated and harder to detect. AI systems often handle sensitive data, raising concerns about both model security and data privacy. When used to support decision-making, AI can sometimes produce inaccurate results (known as hallucinations) or reflect hidden biases. When AI is used to support decision-making, it is essential to mitigate the risks of AI hallucinations and identify potential algorithmic biases, as these risks may impact the Company's reputation and operations.</p>	<p><b>Technology</b></p>	<ul style="list-style-type: none"> <li>■ External malicious attacks may disclose sensitive information, causing a decline in competitiveness and damaging customer trust.</li> <li>■ To mitigate external malicious attacks and comply with regulatory requirements for system development and deployment, the Company may incur higher operating costs.</li> <li>■ The Company may be exposed to operational risks if AI models generate biased data, computational errors, or inappropriate recommendations. Such issues could result in suboptimal decision-making, which may in turn adversely affect business development, customer experience, and overall operational performance.</li> </ul>	<ol style="list-style-type: none"> <li>1. AI model application The AI model is introduced in a step-by-step manner, and the relevant management mechanism is established.</li> <li>2. Response to malicious behavior Regularly review the relevant AI applications (such as the service items of the face recognition mechanism) to ensure the accuracy of the system.</li> <li>3. Perfect the Group's AI governance AI governance framework that covers six major aspects: development strategy, organization, legal structure, process, technology, and application.</li> </ol>

<p><b>Social isolation and loneliness risks</b></p> <p>COVID-19 has a deep impact on human relations. Long-term isolation has deepened the sense of separation between people. The social and economic activities recovered after the pandemic have further deepened the impacts of social isolation and loneliness. The World Health Organization has officially recognized loneliness as an urgent public health issue, emphasizing its strong association with mental health issues, chronic disease risks, and premature mortality. Social isolation and deteriorating mental health are anticipated to progressively impact corporate operations and insurance risks.</p>	<p><b>Healthcare</b></p>	<p>■ If Company's employees have social isolation and mental health issues, it may lead to decreased productivity, increased sick leave, or even voluntary resignations. These challenges can heighten the risk of talent loss and escalate medical expenses for the company. Additionally, it may negatively affect the overall workplace atmosphere, undermining team cohesion and morale.</p> <p>■ If the insured of Company have health issues due to loneliness and stress, it may lead to an increase in the number of insurance claims. This could also cause greater uncertainty in policy pricing and risk assessment, complicating underwriting decisions and financial forecasting..</p>	<p>1. Employee Management</p> <p>Through questionnaires, we are able to evaluate employee needs, identify mental health problems early, provide psychological care or project assistance, etc.</p> <p>2. Insurance</p> <p>The insurance policy incorporates wellness incentives and a group participation mechanism to encourage both physical and mental well-being.</p>
--	--------------------------	---	---

## **Six. Special Disclosure**

### **I. Information on Affiliates**

#### **(I) Consolidated business reports of affiliated enterprises**

Please refer to the Market Observation Post System:

Market Observation Post System > Single Company > Electronic Document Download  
> Three Forms and Documents for Related Enterprises

([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))

#### **(II) Consolidated financial statements of the subsidiaries**

Please refer to the Market Observation Post System:

Market Observation Post System > Single Company > Electronic Document Download  
> Three Forms and Documents for Related Enterprises

([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))

#### **(III) Affiliation report**

Please refer to the Market Observation Post System:

Market Observation Post System > Single Company > Electronic Document Download  
> Three Forms and Documents for Related Enterprises

([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))

### **II. Any private placement of securities in the recent years up to the publication of this annual report.**

None.

### **III. The shares in the Financial Holding Company held or disposed of by subsidiaries in the recent years up to the publication of this annual report:**

None.

### **IV. Other important supplementary information:**

None.

### **V. Events occurred in the previous year or up to the publication of this annual report, which significantly affect shareholders' equity or price of shares pursuant to subparagraph 2, paragraph 3, article 36 of the Securities and Exchange Act**

None.