

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 2024 performance for board of directors (Executed from February to April 2025)	At least once every three years	January 1, 2024 ~ December 31, 2024	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>◆ In February 2025, the Company engaged “Taiwan Institute of Ethical Business” (referred to as “External Evaluator” below) to conduct the external evaluation on the Board of Directors’ performance for 2024. It produced an assessment report and raised the suggestions about optimization on April 30, 2025. The results were raised for discussion during the Board of Directors meeting held on May 15, 2025, and has been approved and implemented accordingly to execute the improvement measures.</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 2024, 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</p>	<p>The External Evaluator had made the following conclusions based on observation of the board’s performance:</p> <ol style="list-style-type: none"> 1. The Company's directors acknowledge the impact posed by the shareholder structure on the composition of the Board of Directors. Insofar as the equity remains stable, the Company introduces independent directors with diverse backgrounds and makes the independent directors have the in-depth understanding about various business activities of the Company’s Group and participate in the supervision of the management team. The Board of Directors is also committed to establishing an environment of mutual trust to allow the directors to express their opinions without reservation and communicate and discuss with each other. 2. In consideration of the corporate culture shaped by the major shareholders, the values of the Company's professional managers are basically similar so as to help stabilize the corporate culture. The Company not only values the increase in corporate value to benefit shareholders but also focuses on enhancement of the Company's long-term development advantages through ethical management and innovation. 3. The Company's directors adopt a more comprehensive view toward the risk management and care the talent issues. The Company maintains its competitiveness in the talent market based on its remuneration system and training courses. Meanwhile, it also works on the issues from the perspective of gender equality and social bonding and achieves outstanding results. <p>The External Evaluator made the following recommendations regarding the operation of the board:</p> <ol style="list-style-type: none"> 1. Continue to focus on the Company's potential director candidates and improvement of the directors’ expertise: <ol style="list-style-type: none"> (1) The number of directors of each gender in the Board of Directors of the Company is advised to account for more than one-third of the whole directors. (2) The Company's Board members need to think about the digital transformation ability on the basis of information security. 2. Continue to focus on the interest and right of the Company's employees and optimize the care measures: <ol style="list-style-type: none"> (1) Continue to strengthen the mental support and professional assistance for the Company's employees. (2) Propose that all of the Company's employees may participate in the family care, regardless of gender. (3) Continue to focus on and evaluate the application of AI and train the Company's employees to use new tools and engage in

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				including accounting, law and corporate governance that 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.	<p>the human-machine collaboration. 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"> Concerning the External Evaluator's suggestion that the Company should focus on the Company's potential director candidates and improvement of the directors' expertise: <ol style="list-style-type: none"> The Company will continue to recruit talents from the industry, government and academia proactively, and consider the gender and other diversity indicators of the Board members and continue to review and adjust them to implement the Board member diversity policy and the improve the corporate governance performance. The Company has provided the directors with various resources about the continuing education of information security to improve the Board of Directors' expertise in information security and help the Company continue to leverage its role dedicated to professional supervision in the process of the Company's digital transformation and development. Concerning the External Evaluator's suggestion that the Company should continue to focus on the interest and right of the Company's employees and optimize the care measures: <ol style="list-style-type: none"> The Company will self-produce its own podcast to allow professional psychologists to answer and clarify the questions raised by colleagues anonymously, so as to build the supportive work culture. The Company will integrate flexible work shifts and mobile work policies to support colleagues in packing their careers at different stages of life and seeking balance between work and family care. The Company will continue to focus on the potential and ethical risk of the application of AI in the talent management field, and provide employees with AI tool training and human-machine collaboration courses, in order to promote the co-evolution of new technologies and human resource development.
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	<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. Results of the above performance assessment will be submitted</p>	<p>Internal assessment of Board of Directors performance covered five main aspects:</p> <ol style="list-style-type: none"> Level of participation in the Company's operations. Improvement of Board of Director's decision quality. Composition and structure of the board of directors. Election and ongoing education of directors. Internal control. <p>Internal assessment of functional committees performance covered five main aspects:</p> <ol style="list-style-type: none"> Level of participation in the Company's operations. Awareness of the responsibilities of functional

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			Committee and Risk Management Committee)	to the board of directors for discussion and approval.	committees. 3. Improvement of functional committee's decision quality. 4. Composition of functional committees and selection of members. 5. Internal control. 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.
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	<ul style="list-style-type: none"> ◆ 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. 	<p>Individual director performance assessment covered the following aspects:</p> <ol style="list-style-type: none"> 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). <p>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.</p> <p>The results of director performance assessment were determined to be "Pass" for all the directors in 2024.</p>

Note1: Represents the frequency of board performance evaluation, e.g.: once a year.

Note2: Represents the duration covered by performance evaluation, e.g.: performance of the board of directors between January 1 and December 31, 2022, was assessed.

Note3: The scope of assessment covers performance of the board as a whole, the individual directors and functional committees.

Note4: Assessment methods include: board internal self-assessment, director self-assessment, peer assessment, assessment by external institution or expert, and other methods as deemed appropriate.

Note5: 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.