

Cathay United Bank Guidelines Governing the Scope of Powers of Independent Directors

Implemented on 2007.04.26 during the 14th Meeting of the 11th-term Board of Directors
Amended on 2007.10.30 during the 2th Meeting of the 12th-term Board of Directors
Amended on 2011.04.29 during the 4th Meeting of the 13th-term Board of Directors
Amendment on 2019.03.21 of regulation name approved by the 11th Meeting of the
15th -term Board of Directors
(Approved by Secretariat Dept. Head on 2019.04.16)
Approved by Legal Affairs Dept. Head on 2019.09.01
Amended on 2020.08.20 during the 7th Meeting of the 16th-term Board of Directors
Amended on 2022.05.13 during the 18th Meeting of the 16th-term Board of Director

Responsible Unit: Legal Affairs Department

Article 1 (Purpose and Basis of Establishment)

To ensure good corporate governance and establish a sound independent director system within the Company, and to enable independent directors to perform their roles in the board of directors' meetings and in the Company, these guidelines (the "Guidelines") are adopted pursuant to the relevant laws, regulations and Article 33, Paragraph 1 of the "Corporate Governance Best-Practice Principles for Banks".

Article 2 (Scope of the Guidelines)

Except for otherwise stipulated by laws, regulations or the Articles of Association, matters relevant to duties of the Company's independent directors shall be governed by the Guidelines.

Article 3 (Matters to be Approved by the Board of Directors)

Except for otherwise approved by the competent authorities, the matters below shall acquire an approval by the board of directors; shall the Company's independent directors have any objections or unqualified opinions, such shall be specified in the meeting minutes of the board of directors:

- I. The Company's business plan.
- II. Annual and semiannual financial statements.
- III. Establishment of or amendment to the internal control system, or appraisal of the effectiveness of the system according to Article 14-1 of the Securities and Exchange Act
- IV. Establishment of or amendment to the procedures regarding acquisition or disposal of assets, engaging in derivatives trading, and disclosure of financial projections according to Article 36-1 of the Securities and Exchange Act.
- V. Matters involving the interests of directors.
- VI. Material assets or derivatives trading.
- VII. Offering, issuance, or private placement of any equity-type securities.
- VIII. Appointment, discharge, or remuneration of a certified public accountant.

- IX. Appointment and discharge of a financial, accounting, risk management, regulatory compliance, and internal audit officer.
- X. Review and approval of the performance appraisal and commission standards of senior managers and sales as well as the remuneration structure of directors.
- XI. A donation to an interested party or a substantial donation to a non-interested party. Public-interest donation of disaster relief for a major natural disaster, however, may be submitted to the following board of directors' meeting for ratification.
- XII. Any other material matter so required by the company or the Competent Authority.

Article 4 (Liability insurance)

The Company, or its parent company shall purchase liability insurance with respect to liabilities resulting from exercising their duties during their terms of service for all independent directors.

The Company, or its parent company shall report the insured amount, coverage, premium rate, and other important contents of the liability insurance it has obtained or renewed for the independent directors, at the most recent board of directors' meeting.

Article 5 (Remuneration)

The remuneration of the independent directors of the Company shall be stipulated in the articles of incorporation or in accordance with the resolutions of the shareholders' meeting, and the Company can offer independent directors reasonable remuneration different from the other directors with discretion.

Article 6 (Training)

Upon newly-appointed or throughout the terms of service, the independent directors of the Company are advised to participate in training courses offered by institutions designated in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" pursuant to TWSE or TPEX guidelines on subjects related to corporate governance including finance, risk management, business, commerce, legal affairs, accounting and corporate social responsibility, or courses relating to internal control systems or liability for financial reports.

Article 7 (Performance of Duties)

The Company shall not impede, refuse, or evade the actions of the independent directors in the performance of their duties. As the independent directors deem necessary to the performance of their duties, they may request the board of directors to appoint relevant personnel, or may at their own discretion hire professionals to provide assistance. The related expenses will be borne by the Company.

Article 8 (Others)

The Guidelines shall be implemented upon approval of the board of directors. The same procedures shall apply for all future amendments.