

The Company adopted a nomination system for director elections in 2014. The Company now has outside directors making up more than half of its board. To prevent Independent Directors' objectivity from being compromised after a prolonged period of service, no Independent Director serves more than nine years consecutively. In addition, Paragraphs 1 and 2, Article 3 of the Company's "Procedures for the Election of Directors" and Paragraphs 2 and 3, Article 29 of the "Corporate Governance Best Practice Principles" require diversity in terms of board composition, and the level of diversity is determined based on the operations and needs of the organization.

The Board of Directors passed "Election Standards for the 9th Board of Directors" during the meeting held on March 15, 2023, which outlined professional criteria such as knowledge, skills, and experience, and the following gender/background diversity goals for board members: (1) The board shall have at least one member from each of the banking, insurance, and securities professions; (2) there shall be at least two members majoring in accounting, information/information security, e-commerce/marketing; and (3) there shall be at least three members with expertise in finance, legal affairs, business, financial technology, investment and mergers and acquisitions, risk management, and operation management. The Company held a total election for its 9th Board of Directors during the annual general meeting dated June 9, 2023. All board members possess the knowledge, skills, and qualities needed to perform their duties, and offer individual expertise in areas such as banking, finance, commerce, and law, as well as extensive industry experience. With regard to the diversity and complement of board members, the Company has met and exceeded the standards specified in Article 20 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." Two directors concurrently assume management duties for better support of business growth and corporate governance. The Company will continue revising its diversity policy in the future depending on board performance, the current state of operations, and growth requirements to include criteria other than backgrounds, values, professional knowledge, and skills, and thereby ensure that board members possess the knowledge, skills, and qualities needed to perform duties. The Company's board diversity policy has been disclosed on the Company's portal and the Market Observation Post System.

Please refer to the below table for the diversity of the Board Members :

Name of director (Note 1)	Gender	One Tier System Board Independence (Note 1) DISI	Term of service (years)			Professional capabilities (name the main 5)								Professional qualifications (Note 2)				Industry experience	
			>3	3~6	>6	Accounting	Finance	Legal	Commerce	Investment and mergers	Financial technology	IT/cybersecurity	Risk management	Operational	E-commerce/marketing	Financial holding	Banking		Insurance
Richard M. Tsai	Male	Other non-executive director			✓		✓		✓	✓	✓			✓	✓	✓	✓	✓	Financials
Daniel M. Tsai	Male	Other non-executive director			✓				✓	✓	✓			✓	✓				Financials
Jerry Harn	Male	Executive director			✓		✓		✓	✓				✓	✓				Financials
Howard Lin	Male	Executive director			✓		✓		✓	✓				✓		✓			Financials
Chin-Chuan Hsu	Male	Other non-executive director	✓				✓		✓	✓			✓	✓	✓		✓		Financials
Chris Tsai	Male	Other non-executive director	✓				✓		✓	✓			✓	✓		✓			Financials, Information Technology, Communication Services
Hsiao-Lan Hu	Female	Non-executive with Independence	✓				✓	✓					✓	✓	✓				Real Estate
Tang Kai Lien	Male	Non-executive with Independence	✓					✓				✓	✓						Financials
Ruey-Cherng, Cheng	Male	Non-executive with Independence		✓		✓	✓		✓	✓									Industrials, Financials
Shin-Min Chen	Male	Independent director		✓				✓	✓	✓				✓	✓				Financials, Real Estate
Shu-Hsing Li	Male	Independent director	✓			✓	✓		✓					✓	✓				Healthcare, Financials, Information Technology, Real Estate, Utilities
Alan Wang	Male	Independent director	✓				✓		✓	✓				✓		✓			Financials, Real Estate
Paulus Siu-Hung Mok	Male	Independent director	✓				✓		✓	✓					✓		✓		Financials
Barry Chen	Male	Independent director	✓						✓		✓	✓	✓						Information Technology
Kuang Shi Ye	Male	Independent director	✓						✓			✓	✓	✓		✓			Materials 、Industrials 、Information Technology 、Communication Services 、Utilities

Note 1 : According to the DJSI Corporate Sustainability Assessment Methodology, Fubon Financial Holding has a One-Tier system, and we measure the independence of directors who are non-executive and meeting at least 4 of the 9 criteria (of which at least 2 of the 3 first criteria) listed below:

- (1) The director must not have been employed by the company in an executive capacity within the last year.
- (2) The director must not accept or have a “Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year”, other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed.
- (3) The director must not be a “Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer.”
- (4) The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company’s senior management.
- (5) The director must not be affiliated with a significant customer or supplier of the company.
- (6) The director must have no personal services contract(s) with the company or be a member of the company’s senior management.
- (7) The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.
- (8) The director must not have been a partner or employee of the company’s outside auditor during the past year.
- (9) The director must not have any other conflict of interest that the board itself determines to not be considered independent.