

Board Performance Evaluation

To strengthen and implement corporate governance, the company's board of directors approved the revision of the "Board Performance Evaluation Procedures" on December 15, 2020. The execution of the company's board performance evaluation should be conducted at least once every three years by an external professional independent institution or external expert team, as needed.

At the end of each year, the Board Affairs Bureau collects relevant activity information, completes the "Board Performance Self-Evaluation Questionnaire" and the "Functional Committee Performance Self-Evaluation Questionnaire," and distributes the "Board Member Performance Self-Evaluation Questionnaire" for all board members to complete. The Bureau records and compiles the evaluation results, then submits a report to the board for review and improvement. The evaluation results must meet a performance target of at least 80 points.

The internal and external performance evaluation results of the board should be completed before the end of the first quarter of the following year.

Starting from 2020, the company will conduct the board performance evaluation annually and complete the report of the performance evaluation results before the end of the first quarter of the following year.

Evaluation Indicators:

The evaluation of the board's performance includes the following six major aspects:

1. The level of participation in company operations.
2. Improving the quality of board decision-making.
3. The composition and structure of the board.
4. The selection and continuous development of board members.
5. Internal control.
6. Awareness and Level of Participation in the Company's ESG Initiatives.

The evaluation of board members' performance includes the following six major aspects:

1. Understanding of company goals and tasks.
2. Awareness of board responsibilities.
3. The level of participation in company operations.
4. Internal relationship management and communication.
5. Professional qualifications and continuous development of directors.
6. Internal control.

Performance Evaluation Metrics for Functional Committees (Audit Committee and Remuneration Committee) Including the Following Five Key Aspects:

1. The level of participation in company operations.
2. Awareness of the functional committee's responsibilities.
3. Improving the quality of functional committee decision-making.
4. The composition and selection of functional committee members.
5. Internal control.

2024 Board Performance Evaluation Results:

The results of this evaluation show that both the board and functional committees scored above 90 points. Board members and functional committees understand their responsibilities, are familiar with company operations and environment, and effectively improve the overall decision-making quality of the board. This demonstrates that the company is continuously strengthening the performance of the board's operations. The report will be submitted in the first quarter of 2025.

In the future, the company will continue to plan diverse professional courses for directors, implement corporate governance, and enhance the functionality of the board to promote the objectivity and operational efficiency of the board's evaluation.

Execution of Board Performance Evaluation

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Performed at least once a year	January 1 to December 31, 2024	Board of directors	Board of directors internal self-assessment	Level of participation in the Company's operations, Quality of decisions made by the board of directors, Composition of the board of directors, Election and continuing education of directors, Internal control Awareness and Participation Level of Company in ESG Promotion
	January 1 to December 31, 2024	Individual Board members	Self-Evaluation by Board Members	Comprehension of the Company's targets and missions, Awareness of the director's duties, Level of participation in the Company's operations, Management and communication of internal relations, Professionalism and continuing education of the director, Internal control
	January 1 to December 31, 2024	Audit Committee	Internal Self-Evaluation by the Audit Committee	Level of participation in the Company's operations, Awareness of the functional committee's duties, Quality of decisions made by the functional committee, Composition of the functional committee and selection of committee members, Internal control
	January 1 to December 31, 2024	Remuneration Committee	Internal Self-Evaluation by the Remuneration Committee	Level of participation in the Company's operations, Awareness of the functional committee's duties, Quality of decisions made by the functional committee, Composition of the functional committee and selection of committee members, Internal control

Note: The outcome of the 2024 board performance self-assessment was presented during the board of directors meeting held on February 24, 2025, to serve as reference for review and improvement. During the self-assessment, concerns were raised with regards to:

Evaluation Scope	Items with Lower Scores	Future Actions
Board of directors internal self-assessment	<p>F.Awareness and Participation Level of the Company in ESG Promotion:</p> <p>49. The Board of Directors (including the Compensation Committee) has incorporated climate change-related performance indicators as one of the factors in evaluating and formulating the compensation policies for directors and managers.</p>	The Board Secretariat regularly communicates information related to ESG to the board members, allowing directors to understand and participate in the company's ESG initiatives.
Individual Director Self-Assessment	<p>B.Awareness of Directors' Duties:</p> <p>5.Newly appointed directors have understood their responsibilities and are familiar with the company's operations and environment.</p> <p>19.Directors have pursued diverse courses beyond their respective professional capabilities and engage in appropriate continuing education hours annually.</p>	By participating in board meetings and arranging diverse corporate governance courses for continuing education, directors enhance their professionalism in understanding the responsibilities and operational modes of the board.
Audit Committee	<p>D. Composition and Appointment of Functional Committees</p> <p>19. The composition of functional committees is appropriate and possesses the necessary expertise required for the decision-making process.</p> <p>E. Internal Control</p> <p>22. The Audit Committee is able to effectively evaluate and oversee the effectiveness of internal control systems and risk management.</p>	Enhance the Audit Committee's understanding of the company's operations and business model, as well as its oversight of the effectiveness of internal control systems.
Remuneration Committee	<p>B. Awareness of Functional Committees' Responsibilities</p> <p>6. The functional committees are able to effectively assess and monitor various existing or potential risks faced by the company.</p>	Strengthen information provision to enable the Compensation Committee to effectively monitor potential risks faced by the company.