

Performance Evaluation for Board of Directors

Subject	Board of Directors	Director members	Functional committees
Required areas of assessment	<ol style="list-style-type: none"> 1. Engagement in the operations of the Company. 2. Enhancement of the quality of decision-making of the BOD. 3. Composition and structure of the BOD. 4. The election and continuing education of the members of the BOD. 5. Internal control. 	<ol style="list-style-type: none"> 1. Grasping the goal of the company and mission. 2. Awareness of the duties of directors. 3. Engagement in the operations of the Company. 4. Internal relationship management and communications. 5. The election and continuing education of the directors. 6. Internal control. 	<ol style="list-style-type: none"> 1. Engagement in the operations of the Company. 2. Awareness of the duties of a functional committee member. 3. Enhancement to the quality of functional committee decision-making. 4. Composition of the functional committee and selection of committee members. 5. Internal control.

Outcome of the evaluation is rated using a 5-grade scale. Results of the evaluations are also reported to the BOD for review and improvement.

Material Improvement Needed	Improvement Needed	Average	Good	Excellent
1	2	3	4	5

Grade Description

Excellent	Consistent with better international governance practices.
Good	Consistent with better domestic governance practices.
Average	Consistent with domestic regulations or general standards.
Improvement Needed	Inconsistent with domestic regulations or general standards to a minor extent
Material Improvement Needed	Severe deficiencies exist.

In accordance with the aforementioned guidelines, the Company conducts performance evaluations covering the overall Board of Directors, individual board members, and functional committees—including the Audit Committee, Compensation Committee, Nomination Committee, and the Sustainability and Risk Management Committee. The evaluation methods include internal board self-assessments, self-assessments by individual directors, and performance evaluations conducted by external professional institutions, experts, or other appropriate means.

The Company's 'Board Performance Evaluation Guidelines' have been disclosed on the MOPS and the Company's website.

Performance Evaluation for Board of Directors

Internal performance evaluation

Comprehensive Board Performance Evaluation Results for 2024 :

The Company's internal board performance evaluation for 2024 was conducted in accordance with the aforementioned guidelines and was completed at the end of 2024.

The evaluation was carried out by the Finance and Information Management Division using a questionnaire-based approach.

The consolidated results of the 2024 internal performance evaluation were presented to the Board of Directors on January 20, 2025.

The ratings given by directors and committee members across all evaluation indicators ranged from 'Good' to 'Excellent,' reflecting the Board's recognition of the completeness and smooth operation of the Company's existing governance mechanisms, including its functional committees.

The results of the Board performance evaluation and individual director performance evaluation ranged between 4 (Good Agree) and 5 (Excellent Agree).

Measurement Area	Evaluation Results
Board of Directors	4.91
Director members	4.74

The performance evaluation results for the Audit Committee, Compensation Committee, Nomination Committee, and the Sustainability and Risk Management Committee ranged between 4 (Good Agree) and 5 (Excellent Agree).

Measurement Area	Evaluation Results
Remuneration Committee	5.00
Audit Committee	4.70
Nomination Committee	4.86
Sustainability and Risk Management Committee	5.00

Comprehensive Board Performance Evaluation Results for 2023 :

The Company's internal board performance evaluation for 2023 was conducted in accordance with the aforementioned guidelines and was completed at the end of 2023.

The evaluation was carried out by the Finance and Information Management Division using a questionnaire-based approach.

The consolidated results of the 2023 internal performance evaluation were presented to the Board of Directors on January 24, 2024.

The ratings given by directors and committee members across all evaluation indicators ranged from 'Good' to 'Excellent,' reflecting the Board's recognition of the completeness and smooth operation of the Company's existing governance mechanisms, including its functional committees.

The results of the Board performance evaluation and individual director performance evaluation ranged between 4 (Good Agree) and 5 (Excellent Agree).

Measurement Area	Evaluation Results
Board of Directors	4.91
Director members	4.84

Performance Evaluation for Board of Directors

The performance evaluation results for the Audit Committee, Compensation Committee, Nomination Committee, and the Sustainability and Risk Management Committee ranged between 4 (Good Agree) and 5 (Excellent Agree).

Measurement Area	Evaluation Results
Remuneration Committee	4.68
Audit Committee	4.95
Nomination Committee	4.87
Risk Management Committee	4.78

External Evaluation

The Company's most recent external evaluation was the 2023 Board performance assessment, which was conducted by the Taiwan Investor Relations Institute (TIRI). TIRI was engaged as the external evaluation institution as it meets the criteria for external professional organizations set forth in Article 7 of the reference guidelines for 'Board Self-Evaluation or Peer Evaluation of ○○ Co., Ltd.' The services provided by TIRI include organizing board-related training programs and supporting enhancements in corporate governance, risk management, and internal control and audit systems. Its evaluation team is independent and professionally qualified.

TIRI completed the evaluation in December 2023 using tools aligned with leading domestic and international practices. The evaluation methodology incorporated three approaches: data analysis, questionnaires, and interviews. The evaluation metrics covered the following dimensions: :

Subject	Board of Directors	Director members	Functional committees
Measurement Area	5 Key Aspects and 39 Assessment Items	6 Key Aspects and 23 Assessment Items	5 Key Aspects and 27 Assessment Items
Aspect Description	<ol style="list-style-type: none"> 1. Engagement in the operations of the Company. 2. Enhancement of the quality of decision-making of the BOD. 3. Composition and structure of the BOD. 4. The election and continuing education of the members of the BOD. 5. Internal control. 	<ol style="list-style-type: none"> 1. Grasping the goal of the company and mission. 2. Awareness of the duties of directors. 3. Engagement in the operations of the Company. 4. Internal relationship management and communications. 5. The election and continuing education of the directors. 6. Internal control. 	<ol style="list-style-type: none"> 1. Engagement in the operations of the Company. 2. Awareness of the duties of a functional committee member. 3. Enhancement to the quality of functional committee decision-making. 4. Composition of the functional committee and selection of committee members. 5. Internal control.

Comprehensive External Board Performance Evaluation Results for 2023:

The overall Board and individual directors demonstrate objectivity and independence, and the Company continues to advance gender equality initiatives. In addition, to maintain the professionalism and experience of Board members and senior management, succession plans for Board members and key executives have been established.

The evaluated company has established an Audit Committee, Compensation Committee, Nomination Committee, and Risk Management Committee, which strengthen supervisory functions and enhance management effectiveness.

The overall evaluation results ranged from 'Agree' to 'Strongly Agree' (based on a five-level rating scale, where 1 represents 'Strongly Disagree' and 5 represents 'Strongly Agree').

Recommendations for Optimization and Future Improvement Items Identified in the 2023 External Board Performance Evaluation

Performance Evaluation for Board of Directors

Measurement Area	Board of Directors 、 Director members 、 Functional committees
Recommendation	<ol style="list-style-type: none"> 1. Organize an annual strategic consensus workshop for the Board of Directors. 2. Clearly delineate the responsibilities of the Chairperson and the President/CEO. 3. Increase the proportion of female directors to one-third of the Board. 4. Plan ahead for linking director and senior executive compensation with ESG performance. 5. Begin early planning for alignment with the IFRS Sustainability Disclosure Standards. 6. Elevate the Corporate Sustainability Office to the level of a functional committee.
Improvement plan	<ol style="list-style-type: none"> 1. The Company has arranged more than two managerial reporting meetings annually and will continue to strengthen communication channels between the Board of Directors and the management team. 2. The Company has established a Compensation Committee and a Nomination Committee. In planning performance linkage and candidate selection for directors and senior executives, a more comprehensive approach is adopted to align with operational needs and ESG requirements. 3. The Company is planning the organizational positioning of the Corporate Sustainability Office and the Risk Management Committee within the corporate structure. 4. The Company has begun planning in accordance with the Financial Supervisory Commission's roadmap for aligning with the IFRS Sustainability Disclosure Standards.

The consolidated results of the external and internal board performance evaluations were presented to the Board of Directors on January 24, 2024. For further details, please refer to the 2023 Annual Report.