

## **Board of Directors Performance Evaluation**

To implement corporate governance, to improve the functions of the board of directors and to enhance the operation efficiency of the board of directors, the board of directors' meeting of the Company has approved the "Regulations for Board of Directors Performance Evaluation" on May 9, 2019, and has specified that the internal board of directors performance evaluation, self-evaluation of individual board member, peer evaluation and each functional committee shall be conducted at least once annually. The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum,

the following five aspects:

1. Participation in the operation of the company.
2. Improvement of the quality of the board of directors' decision making.
3. Composition and structure of the board of directors.
4. Election and continuing education of the directors.
5. Internal control.

The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects:

1. Alignment of the goals and missions of the company.
2. Awareness of the duties of a director;
3. Participation in the operation of the company.
4. Management of the internal relationship and communication.
5. The director's professionalism and continuing education.
6. Internal control.

The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects:

1. Participation in the operation of the company.
2. Awareness of the duties of the functional committee.
3. Improvement of quality of decisions made by the functional committee.
4. Composition of the functional committee and election of its members.
5. Internal control.

The indexes of board performance evaluation shall be determined based on the operation and needs of the Company and suitable and appropriate for evaluations by the company.

## **Board of Directors Performance Evaluation Result**

The Company has completed relevant evaluation on the board of director's operation for the period from January 1, 2019 to December 31, 2019, including the self-evaluation

questionnaire survey of 6 directors (including 2 independent directors) and the internal self-evaluation questionnaire survey of the board of directors.

The statistical method for the performance evaluation is divided into two types: the board member self-evaluation and questionnaire and the internal self-evaluation questionnaire for board of directors. In the questionnaire, a higher score in an item means that the achievement rate for the item is higher. For an achievement rate above 90%, it is evaluated to be “Outstanding”; when the achievement rate is above 80%, it is evaluated to be “Successful”; for the rest of the rates, they are evaluated to be “Improvement Needed.” After the completion of the aforementioned evaluation score statistics, the 2019 board of director’s performance evaluation achievement rate of the Company was 100% and the evaluation result was “Outstanding.” In addition, the evaluation result was reported in the board of directors’ meeting dated December 27, 2019.