

1. Purpose

To implement corporate governance, enhance the functions of the Company's Board of Directors, and improve the efficiency of the Board's operations, these Regulations are hereby established in accordance with Article 39 of the Company's Corporate Governance Code for compliance.

2. Compliance Requirements

The performance evaluation procedures for the Company's Board of Directors—including the primary evaluation cycle, evaluation period, scope and methods of evaluation, the unit responsible for conducting the evaluation, evaluation procedures, and other matters to be observed—shall be carried out in accordance with the provisions of these Regulations.

3. Evaluation Cycle and Period

The Company's Board of Directors shall conduct an internal performance evaluation at least once a year. The internal evaluation shall be conducted at the end of each fiscal year in accordance with the evaluation procedures set forth in Article 6 and the evaluation indicators set forth in Article 8.

The performance evaluation of the Company's Board of Directors shall be conducted at least once every three years by an external professional independent organization or a team of external experts and scholars.

The results of both the internal and external Board performance evaluations shall be finalized by the end of the first quarter of the following year.

4. Scope and Method of Evaluation

The scope of the Company's Board of Directors performance evaluation shall include the evaluation of the Board as a whole, individual directors, and functional committees.

The evaluation methods may include internal self-evaluation by the Board of Directors, self-evaluation by individual directors, peer evaluation, engagement of external professional organizations or experts, or other appropriate methods for conducting performance evaluations.

5. Entity Responsible for Conducting the Evaluation

The entity responsible for conducting the Company's internal Board of Directors performance evaluation may be adjusted to different entities depending on the Board's operational circumstances; however, the entity conducting the evaluation must have a clear understanding of the operations of the unit being evaluated and must act in a fair, objective, and independent manner.

6. Evaluation Procedures

The procedures for the Company's Board of Directors performance evaluation are as follows:

1. Determine the units and scope to be evaluated for the current fiscal year (e.g., the Board of Directors as a whole, individual directors, various functional committees, etc.).
2. Determine the evaluation method (e.g., internal self-evaluation by the Board, self-evaluation or peer evaluation by directors, peer evaluation, evaluation by an external professional organization, or evaluation by experts).
3. Select an appropriate entity to conduct the evaluation.
4. At the end of each fiscal year, each implementing unit shall collect information related to Board activities and distribute the relevant self-assessment questionnaires—, Table 1“Board of Directors Performance Evaluation Self-Assessment Questionnaire” (Appendix 1), “Director Performance Evaluation Self-Assessment Questionnaire” (Appendix 2), or “Functional Committee Performance Evaluation Self-Assessment Questionnaire” (Appendix 3), and have them completed by each director. After the implementing unit collects the completed questionnaires, it shall record the evaluation results in accordance with the scoring criteria for the evaluation indicators set forth in these Measures and submit a report to the Board of Directors to serve as the basis for review and improvement.

7. External Professional Organizations and Experts

Any external evaluation agency or team of external experts and scholars arranged by the Company to conduct the Board of Directors' performance evaluation shall comply with the following provisions:

1. External evaluation agencies or teams of external experts and scholars must possess professionalism and independence.
2. External evaluation agencies shall primarily be institutions or management consulting firms that provide services related to Board of Directors training programs and the enhancement of corporate governance.
3. The team of external experts and scholars shall consist of at least three experts or scholars in the field of board affairs or corporate governance, who shall evaluate the implementation of the Company's Board of Directors performance assessment and prepare an external assessment analysis report.

8. Evaluation Indicators and Dimensions

The Company shall establish performance evaluation metrics for the Board of Directors based on its specific circumstances and needs, and such metrics shall include at least the following five key dimensions:

1. Level of involvement in the company's operations.

2. Improvement in the quality of board decision-making.
3. Composition and structure of the Board of Directors.
4. Appointment and Continuing Education of Directors.
5. Internal controls.

The performance evaluation criteria for directors (whether self-assessed or peer-assessed) should include at least the following six key areas:

1. Understanding of the company's goals and mission.
2. Understanding of directors' responsibilities.
3. Level of involvement in the company's operations.
4. Management of internal relationships and communication.
5. Professional competence and continuing education of directors.
6. Internal controls.

The performance evaluation criteria for functional committees should include at least the following five key areas:

1. Level of involvement in the company's operations.
2. Understanding of the functional committee's responsibilities.
3. Improvement in the quality of functional committee decision-making.
4. Composition of functional committees and selection of members.
5. Internal controls.

The performance evaluation metrics for the Board of Directors shall be established in accordance with the Company's operations and needs, ensuring they are appropriate for the Company's performance evaluation process, and shall be periodically reviewed and recommended by the Compensation Committee.

9. Scoring Criteria

The scoring criteria may be revised and adjusted according to the Company's needs and may also be weighted according to each evaluation dimension.

1. The scoring criteria for each dimension are as follows:
2. Each question type is categorized into five levels based on the degree of achievement: "Strongly Disagree," "Disagree," "Neutral," "Agree," and "Strongly Agree," which are scored as 1, 2, 3, 4, and 5 points, respectively.
3.
$$\text{Total Score} = \sum [\text{Score for Each Dimension} \div (\text{Total Number of Questions in That Dimension} \times 5) \times 100 \times \text{Weighting Ratio for That Dimension}]$$
4. Provided that the provisions of these Regulations are followed and no adjustments to the dimensions are required, revisions to the questionnaire may be made in accordance with legal requirements, corporate governance needs, or other necessities, subject to authorization and approval by the General Manager.

10. Reference for the Board of Directors in Selecting Directors

When the Company's Board of Directors selects or nominates independent directors, the performance evaluation results of individual directors shall be used as a reference for the selection process.

11. Disclosure of Information in the Annual Report

The Company shall disclose in its annual report the implementation status of the annual Board of Directors performance evaluation, including at a minimum the evaluation cycle, evaluation period, scope of evaluation, evaluation method, and evaluation content.

If the Company engages an external organization or expert to conduct the Board of Directors' performance evaluation, it shall disclose in the annual report the external evaluation organization or expert, their team members, and a description of their expertise, as well as a statement regarding the independence of the external evaluation organization or expert, and explain the evaluation methods, criteria, and recommendations for future improvement.

12. Disclosure Method

The performance evaluation procedures established by the Company shall be fully disclosed on the Market Observation Post System and the Company's website for public inquiry.

13. Adoption and Amendments

These Measures shall take effect upon discussion and approval by the Board of Directors; the same applies to any amendments.