

Performance Appraisal of the Board of Directors.

In order to put corporate governance into practice, the Board of Directors approved the amendment to the “Rules for Performance Evaluation of Board of Directors” on August 13, 2020. The internal Board of Directors performance appraisal is conducted at least once a year, and once every three years by external independent specialized institutions or teams of external experts and scholars, and the performance appraisal for the year is done before the end of the same year. It is expected to improve the capacity of the Board of Directors and enhance the efficiency by clearly defining performance objectives.

Plan and conduct the performance evaluation of the Board of Directors, including the performance evaluation of the Board of Directors as a whole, individual Board members and Functional Committees. At the end of each year, the agenda working unit of the Board collects information about the Board’s activities, distributes the “Self-Assessment Questionnaire for Board Members” and the “Self-Assessment Questionnaire for Functional Committees” to each Director and member, and scores each assessment item based on the actual operation of the Board, so as to compile the results of the Board’s performance evaluation and report to the Board of Directors.

Status of the 2021 internal Board of Directors performance appraisal is shown as follows:

Evaluation Type	Evaluation Method	Evaluation Criteria	Evaluation Result
Performance evaluation of the Board of Directors as a whole	Evaluated by the agenda working unit based on the actual operation of the Board	The Criteria covers the following five aspects: 1. Engagement 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 total score was 4.66, and the evaluation result was excellent. The evaluation results indicated that the overall operation of the Board of Directors of the Company was satisfactory and in line with the spirit of corporate governance.
Performance evaluation of individual Board members	Evaluated by each Board members	The Criteria covers the following six aspects: 1. Alignment of the goals and missions of the Company 2. Awareness of the duties of a Director 3. Engagement in the operation of the Company	The individual average score was 4.69, and the evaluation result was excellent. The evaluation results showed that the Directors of the Company had positive comments on the efficiency and effectiveness of the operation of each appraisal indicator.

Evaluation Type	Evaluation Method	Evaluation Criteria	Evaluation Result
		4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control	
Performance evaluation of Functional Committees	Evaluated by each Functional Committee	The Criteria covers the following five aspects: 1. Engagement in the operation of the Company 2. Awareness of the duties of the Functional Committee 3. Improvement of the quality of Functional Committee's decisions making 4. Composition of the Functional Committee and election of its members. 5. Internal control.	The average scores of the Audit Committee and the Compensation Committee were 4.93 and 4.89, respectively, both of which were excellent. The evaluation results showed that the Functional Committees had positive comments on the efficiency and effectiveness of the operation of each appraisal indicator.

The contents and recommendations of the above performance evaluation were reported to the Board of Directors' meeting on March 15, 2022.