

E.SUN Financial Holding Company

The Rules for performance evaluation of Boards

Approved on 2013.02.01 during the 15th Meeting of the Fourth Board of Directors
Amended on 2015.08.21 during the 19th Meeting of the Fifth Board of Directors

Article 1 Purpose

This Policy is established in accordance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies.

Article 2 Evaluation Periods and Methods

Board performance evaluation shall be conducted at the end of each year according to the evaluation dimensions and indicators, and the chairman of the board shall be authorized to adjust the evaluation dimensions, indicators, or options according to business requirements or matters concerning the development of corporate governance practices and theories.

Article 3 Evaluation Procedure

I. Evaluation of board performance

- (I) Each year, the Company evaluates board performance of the previous year using the board performance scorecard.
- (II) Board performance is evaluated by the Corporate Governance and Nomination Committee and subsequently resolved by the board of directors.

II. Evaluation of functional committee performance

- (I) Each year, the Company evaluates performance of various functional committees in the previous year using the committee performance scorecard.
- (II) Performance is evaluated by the respective functional committees and subsequently reported to the board of directors.

III. Evaluation of director performance

- (I) At the beginning of each year, directors are required to evaluate their own performance (self-assessment) and the performance of other directors (overall assessment) in the previous year, using a designated scorecard.
- (II) The board meeting organizer will consolidate directors' self-assessments and overall assessments to conclude the final performance score for each director. This result is subsequently presented for the Chairman's review.

Article 4 Evaluation Items and Indicators

I. Board performance evaluation scale:

The content of evaluation shall include degree of participation in the Company's operations; quality of board decisions; board composition and structure; selection of suitable board directors and continuing professional education; and internal control.

II. Evaluation of functional committee performance:

The content of evaluation shall include degree of participation in the Company's operations; quality of committee decisions; committee composition and structure; selection of suitable committee members and continuing professional education; and internal control.

III. Self-evaluation:

Evaluations shall be conducted using actual names, and the content of evaluations shall include participation and interaction; directors' role; quality of decision-making; professional knowledge; attendance rate; and self-development.

IV. Overall assessment:

Assessments shall be conducted anonymously, and the overall evaluation of the board of directors shall encompass participation and interaction; quality of decision-making; and professional knowledge.

The Company's board of directors, functional committee, and director performance evaluation scales established based on the aforementioned principles are provided in the Appendix.

Article 5 External Evaluation

The Company's board of directors' performance evaluation shall be executed at least once every three years by an external professional independent institution, expert, or scholar.

The chairman of the board shall be authorized to decide the delegated subject, schedule, methods, and related matters in the preceding paragraph.

Article 6 This policy shall become effective upon approval by the board of directors.