

## **First Financial Holding Co., Ltd. Regulations for Evaluating the Performance of the Board of Directors**

### Article 1 (Purpose and basis of establishment)

To implement corporate governance, improve the Company's board efficiency, and set performance goals to increase the operational efficiency of the Company, these Regulations have been established based on the "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers".

### Article 2 (Evaluation cycle and execution unit)

The Company's board shall execute the internal performance evaluation each year based on the evaluation procedures and standards regulated by Articles 4 and 5; the board's administrative unit and the administrative units of the functional committees shall serve as the execution units, but an evaluation contracted to an independent external team of professional institutions, experts, or scholars (hereinafter referred to as the external evaluation institution or team) shall be conducted at least once every three years. In addition, where the contracted external performance evaluation is conducted in the current year, the internal performance evaluation shall still be implemented. The performance evaluation shall be completed and the results shall be reported to the board before the end of the first quarter of the following year.

The chairperson is authorized to approve matters regarding the abovementioned external evaluation institution or team, schedule, method, etc., provided that the following requirements are met:

1. The institution or team must be professional and independent.
2. The external evaluation institution must be an institution or management consulting company responsible for related education and training programs of the board and improvement of corporate governance of companies.
3. The external team of experts and scholars must include at least three experts or scholars that specialize in board operations or corporate governance.

### Article 3 (Evaluation scope and method)

The scope of the Company's board performance evaluation covers the

overall operation of the board and functional committees and the performance evaluation of each director. The evaluation methods include the board members' self-evaluation and the evaluation of the execution unit or the contracted external professional evaluation institution or team.

#### Article 4 (Evaluation procedures and indicators)

The Company's board performance evaluation measures shall include the following five major aspects, and each aspect is separated into qualitative and quantitative measures (the "Board and Individual Director Performance Evaluation Questionnaire" and "Functional Committee Performance Evaluation Questionnaire" as in the attached form 1 and attached form 2), the qualitative measures are evaluated by each director while the quantitative measures are evaluated by the execution unit, and the evaluation result shall be summarized as regulated by Article 5 and reported to the board:

- I. Degree of participation in Company operations, recognition of duties, management of internal relations, and communication.
- II. Improvement to the decision quality and understanding of goals and tasks of the board or functional committees.
- III. Board or functional committee organization and structure.
- IV. The election of the directors or functional committee members and their professional and continuing education.
- V. Internal control.

The Remuneration Committee shall regularly review the measures in the "Board and Individual Director Performance Evaluation Questionnaire" and propose recommendations.

#### Article 5 (Evaluation standards and results)

The result of the Company's board performance evaluation is summarized based on the following standards:

1. The evaluation standards for "qualitative measures" and "quantitative measures" are "5 points" (outstanding), "4 points" (good), "3 points" (average), "2 points" (improvements required), and "1 point" (poor).
2. The evaluation result is based on the "average score" of the sum of all measures (i.e., "qualitative measures" plus "quantitative measures" and rated based on the following five levels:

Rating	Average Score
Outstanding	4~5*

Good	3~4*
Average	2~3*
Improvements required	1~2*
Poor	1*

Note: A score of 4 to 5 means a score of more than 4 points and less than 5 points (inclusive).

The same applies for other scores.

#### Article 6 (Use of evaluation results)

The results of the Company's board performance evaluation shall be used as references for the selection or nomination of directors. The performance evaluation results for individual directors shall be used as references for their individual salary and remuneration.

#### Article 7 (Information disclosure)

The Company shall disclose the Regulations, the execution methods, standards, and evaluation results of the board performance evaluation, as well as the date the results are reported to the board, improvement plans, and use of the results in the annual report and on the Company's website and the Market Observation Post System.

#### Article 8 (Implementation)

The implementation and revision of the Regulations were approved by the board.

#### Article 9 (History)

The Regulations were established on August 26, 2016.

The first amendment of these Regulations were made on November 21, 2019.