

The Outcome of KGIF's Performance Evaluation of the Board of Directors

KGIF, at the 10th meeting of the 6th Board of Directors on November 21, 2016, approved the establishment of the "Principles for the Performance Evaluation of the Board of Directors." Pursuant to these Principles, an internal board performance evaluation shall be conducted at least once annually. The scope of the evaluation includes the Board as a whole, individual directors, and the functional committees of the Board. Additionally, an external performance evaluation conducted by an independent professional institution or a panel of external experts and scholars is required at least once every three years.

1. The execution of the internal board performance evaluation:

- (1) Evaluation period: 2025/1/1 - 2025/12/31
- (2) The evaluation is conducted through the evaluation of performance of the board, self-evaluation of performance of individual directors, and evaluation of performance of the functional committees, with each assessment criterion being rated on a scale of five levels: "Excellent (5), Very Good (4), Good (3), Acceptable (2), Improvement Needed (1)."
- (3) KGIF completed the internal board performance evaluation for the year 2025, and the results were reported at the 8th meeting of the 9th Board of Directors on February 6, 2026. The results are as follows:

(A) The evaluation of performance of the Board:

The criteria cover 45 indicators across 6 aspects. The average score for each aspect ranged from 4.99 to 5 (out of 5), reflecting that the Board's excellence in providing strategic guidance and oversight of major business operations and risk management. The results also demonstrate the Board's effectiveness in establishing a robust internal control system, its strong engagement in sustainable management (ESG) initiatives, and its overall sound operation in alignment with corporate governance best practices.

6 Aspects	Evaluation Results
A. Level of involvement in the company's operations	4.99
B. Improvement of the quality of the board of directors' decision making	5
C. Composition and structure of the board of directors	5
D. Election and continuing education of the directors	5
E. Internal control	5

F. Participation in environmental, social and governance initiatives (ESG)	5
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(B) The self-evaluation of performance by individual directors:

The criteria cover 25 indicators across 6 aspects. The average score for each aspect ranged from 4.88 to 5 (out of 5), reflecting highly positive assessments by the directors regarding the efficiency and effectiveness of the operations across all indicators.

6 Aspects	Average Score
A. Familiarity with the goals and missions of the company	5
B. Understanding of Director responsibilities	5
C. Level of involvement in the company's operations	4.88
D. Management of internal relationship and communication	4.96
E. Professionalism and continuing education of the directors	5
F. Internal control	5

(C) The evaluation of performance of the functional committees:

The criteria cover 5 aspects. The average score for each aspect was 5 (out of 5), indicating that the overall operations of the functional committees are sound and aligned with corporate governance requirements, thereby effectively enhancing the functions of the Board of Directors.

Aspects \ committee	AC	RC	RMC	SEC	NC	BIC
	Results (27)	Results (24)	Results (22)	Results (22)	Results (22)	Results (21)
5 Aspects (Total number of indicators)						
A. Level of involvement in the company's operations	5	5	5	5	5	5
B. Understanding of the functional committees responsibilities	5	5	5	5	5	5
C. Improvement of the quality of the functional committees decision making	5	5	5	5	5	5
D. Composition and Election of the functional committees	5	5	5	5	5	5
E. Internal control	5	5	5	5	5	5

Note :

AC : Audit Committee

RC : Remuneration Committee

RMC : Risk Management Committee

SEC : Sustainability and Ethical Management Committee

NC : Nomination and Performance Evaluation Committee

BIC : Business Development, Investment, and Major Capital Expenditure Committee

2. The execution of the external performance evaluation of the Board:

In August 2023, KGIF appointed EY Business Advisory Services Inc. (hereinafter referred to as "EY") to conduct the external performance evaluation of the Board. The results of the execution of the external performance evaluation of the Board were reported at the 28th meeting of the 8th board of directors on November 20, 2023. The results are as follows:

- (1) Evaluation period: 2022/9/1 - 2023/8/31
- (2) Evaluation scope: The board evaluation covers three main areas: "Structure", "People", and "Process and Information".
- (3) Evaluation elements: The eight major aspects are identified to assess the board's effectiveness: "board and committee structure and process", "board and committee composition", "legal person and organizational structure", "role and function", "culture and behavior", "directors' training and development", "risk control governance", and "reporting/disclosing and performance management".
- (4) Evaluation methods: The evaluation methods include the director/committee members' interviews conducted by EY experts, board/committee members' self-assessment questionnaires and document review.
- (5) Evaluation criteria:
Standard Grading level and their definitions according to EY experts:
 - Basic: The Company's practice matches the basic requirements of the competent authorities and the related regulations.
 - Advanced: The Company's practice matches the requirements of the competent authorities and the related regulations. In addition, the board has established a set of effective practice methodologies or the board proactively enhances the performance of that aspect.
 - Excellence: The Company's practice is not only better than the requirements of the competent authorities and the related regulations, but also deemed as excellence model.
- (6) Evaluation results: The "Structure", "People" and "Process and Information" of the board were respectively appraised as "Excellence", "Advanced", and "Excellence".
- (7) EY's suggestions are as follows:
 - A. Optimize specific management objectives for the board member diversity policy, such as independent director seats, female director seats, and increasing non-executive director seats that exceed legal regulations.
 - B. Continuously assist the board of directors through functional committees in

responding to KGIF's development goals, external regulatory trends, and various emerging risks to ensure the appropriateness and effectiveness of overall medium and long-term risk management and resource allocation.

- C. KGIF has established a Nomination and Performance Evaluation Committee and adopted a director candidate nomination system. It is recommended that KGIF, in addition to maintaining the aforementioned measures, gradually establish a director talent pool through diversified channels to strengthen the nomination and talent succession plan.
 - D. Design advanced learning and development programs for directors with different expertise, providing course content and training hours that exceed the requirements of regulatory authorities, allowing directors to not only enhance their own professional fields but also strengthen other professional knowledge.
 - E. Continuously evaluate the impact of ESG measures (such as green finance, inclusion programs, etc.) on KGIF's business and financial performance.
- (8) In response to the recommendations from external experts, KGIF has not only maintained its "Excellence" practices but has also implemented several enhancement measures. These include appointing one female director to the 9th Board of Directors and enhancing board diversity by incorporating directors with professional expertise in law, finance, and information security. To further strengthen governance, KGIF consolidated its functional committees and increased the proportion of independent directors (five out of six functional committees are fully involved by independent directors, who represent a majority of committee members). In addition, KGIF established a director talent pool and introduced a self-assessment checklist for director qualifications to reinforce the nomination and qualification review mechanism. The Company also designed advanced training programs for individual directors and conducted KGI Group-wide director training programs covering diverse topics, resulting in average training hours exceeding regulatory requirements. In 2025, the average training hours reached 11.8 hours for re-appointed directors (nearly twice the regulatory requirement) and 16 hours for newly appointed directors (1.33 times the regulatory requirement). Furthermore, KGIF regularly aligns ESG initiatives with corporate strategy, reports ESG performance to the Board of Directors and discloses the results in its ESG reports, thereby enhancing corporate governance and strengthening stakeholder trust.

Note :

"Newly appointed directors" means those serving for the first time as a director of a TWSE or TPEX listed company.

"Re-appointed directors" means those serving another term as a director of a TWSE or TPEX listed company.