



Implementation of Performance Assessment

SCSB's Board of Directors in November 2020 adopted the resolution to amend the Rules for Performance Evaluation of Boards, in order to implement corporate governance and enhance functions of the Board of Directors. The regulations specify that internal board performance evaluations shall be conducted once a year, external board performance evaluations shall be conducted once every three years, in order to establish performance goals and improve operational efficiency.

Internal Evaluation

Cycle	Duration	Scope	Method	Content
Implemented once a year	2022/1/1 to 2022/12/31	1. Board of Directors 2. Functional Committees 3. Performance of individual directors	1. Self-assessment by the Board of Directors 2. Self-assessment by the functional committees 3. Self-assessment by Board members	1. The Board Performance Assessment consists of 45 items under the 5 dimensions, as follows: degree of participation in SCSB operations; improvement of board decision quality; board composition and structure; election and continuing education of directors; and internal controls. 2. The Functional Committees Performance Assessment consists of 19-24 items according to the nature of individual committees under 5 dimensions as follows: degree of participation in SCSB operations; knowledge of functional committee duties; improvement of functional committee decision quality; functional committee composition and member election; and internal controls. 3. Individual Director Performance Assessment consists of 23 items under 6 dimensions, as follows: grasp of SCSB's targets and missions; understanding of a director's duties; degree of participation in SCSB operations; internal relationship management and communication; director's specialty and continual development; and internal controls.

※ Assessment results summary:

1. This assessment adopted a 5-point scale for grading: 5 is equivalent to "excellent," as 4 is to "good," 3 is to "average," 2 is to "acceptable," and 1 is to "underachieved."
2. The performance assessment results of the Board of Directors, functional committees (including Audit Committee, Remuneration Committee, Risk Management Committee and Nomination Committee) and individual directors' are still good. The average score for the directors' performance in actively participating in SCSB operations, paying attention to SCSB's strategic and developmental directions, and establishing appropriate and effective internal control system.
3. The results of the assessment will be submitted to the Board of Directors on March 2023 after being reviewed by the Nomination Committee on March 2023, and shall serve as a reference for the election or nomination of directors. The results of individual director assessments shall serve as a reference for determining the remuneration for individual directors.