CHC Healthcare Group

Description of the performance evaluation of the board of directors and functional committees in the last three years

The March 24, 2016 Board resolution approved the "Board Performance Evaluation" for the internal evaluation annually by the Board meeting at the end of the year, while the external evaluation by an independent agency or professionals should be given at least once in every three years, along with the annual evaluation of the year.

◎Year 2022：

Appraisal Period	Appraisal Cycle	Appraisal Scope	Appraisal Method	Appraisal Contents
Once per Year	January 1, 2022 to December 31, 2022	Board of Directors	Self-evaluation of the Board of Directors	Degree of engagement in the Company's operation, quality of the Board of Directors' decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.
Once per Year	January 1, 2022 to December 31, 2022	Individual Board Member	Self-evaluation of Board Member	Alignment with the Company's goals and mission, awareness toward directors' responsibilities and duties, degree of engagement in the Company's operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.
Once per Year	January 1, 2022 to December 31, 2022	Functional committees	Self-evaluation of Board Member	Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, quality of the functional committees' decision making, formation of the functional committees and election of members, and internal control.

- In January 2023, all directors and all functional committee members conducted a self-evaluation of the performance of the 2022 Board of Directors and functional committees.
- The implementation of the internal evaluation results was submitted to the Compensation Committee for approval and report to the Board of Directors on March 22, 2023.

◎Year 2023：

Appraisal Period	Appraisal Cycle	Appraisal Scope	Appraisal Method	Appraisal Contents
Once per Year	January 1, 2023 to December 31, 2023	Board of Directors	Self-evaluation of the Board of Directors	Degree of engagement in the Company's operation, quality of the Board of Directors' decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.
Once per Year	January 1, 2023 to December 31, 2023	Individual Board Member	Self-evaluation of Board Member	Alignment with the Company's goals and mission, awareness toward directors' responsibilities and duties, degree of engagement in the Company's operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.
Once per Year	January 1, 2023 to December 31, 2023	Functional committees	Self-evaluation of Board Member	Degree of engagement in the Company's operation, awareness toward functional committees' responsibilities and duties, quality of the functional committees' decision making, formation of the functional committees and election of members, and internal control.

- In January 2024, all directors and all functional committee members conducted a self-evaluation of the performance of the 2023 Board of Directors and functional committees.
- The implementation of the internal evaluation results was submitted to the Compensation Committee for approval and report to the Board of Directors on March 13, 2024.

◎Year 2024：

Appraisal Period	Appraisal Cycle	Appraisal Scope	Appraisal Method	Appraisal Contents
Once per Year	January 1, 2024 to December 31, 2024	Board of Directors	Self-evaluation of the Board of Directors	Degree of engagement in the Company’s operation, quality of the Board of Directors’ decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.
Once per Year	January 1, 2024 to December 31, 2024	Individual Board Member	Self-evaluation of Board Member	Alignment with the Company’s goals and mission, awareness toward directors’ responsibilities and duties, degree of engagement in the Company’s operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.
Once per Year	January 1, 2024 to December 31, 2024	Functional committees (Audit Committee)	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.
Once per Year	January 1, 2024 to December 31, 2024	Functional committees (Compensation Committee)	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.
Once per Year	January 1, 2024 to December 31, 2024	Functional committees (Sustainability Committee)	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.
Implemented once every 3 years	December 1, 2023 to November 30, 2024	Board of Directors Individual Board Member Functional committees	Commissioned external professional organizations	Composition of the Board, guidance of the Board, authorization of the Board, supervision of the Board, communication, internal control, and risk management of the Board, self-discipline of the Board, and other matters such as the Board meeting and support system, etc.

- In January 2025, all directors and all functional committee (including Compensation Committee , Audit Committee and Sustainability Committee) members will conduct self-evaluation of the performance of the 2024 Board of Directors and functional committees (including Compensation Committee , Audit Committee and Sustainability Committee).
- In addition to reviewing the relevant documents required for evaluation by the company in writing and the questionnaires filled out online by the company, the association appointed two evaluation committee members (He Peizhu, Pu Shusheng) and two evaluation specialists (Jiang Jiarong, Song Yijing) to conduct on-site interviews on February 6, 2025, and the chairman, general manager, and all independent directors of the company. Interviews with corporate governance executives and others.

For the external one, the Company consigned the Taiwan Corporate Governance Association to conduct an independent evaluation of the Board functionality (including performance). The consignee reviewed relevant documents and online questionnaires prepared by the Company. With abundant experiences of corporate governance evaluation, the Association reviewed the Board from the perspectives of corporate planning, execution, supervision, and assessment, as well as the collaboration between the Board and the managing sectors, covering the following five major facets:

1. Composition & Division of Labor
2. Guiding, Monitoring and Oversight
3. Delegation & Risk Management
4. Communication & Collaboration
5. Self-discipline & Diligence

■ The association recommend:

1. Sustainable Development Strategy and Goals: It is recommended that the company strengthen its sustainable development strategy and specific promotion plans to relevate the company's core business to encourage the management team to focus on the company's long-term interests and the achievement of the company's sustainable development goals.
2. Risk management: It is recommended that the company regularly review the powers and division of labor of the functional committees to facilitate the functional committees to play their role in assisting the board of directors in supervising the risk management mechanism.
3. Incidental Material Incident Reporting Procedures: It is recommended that the company establish a clear reporting system and procedures for occasional material information, and improve the mechanism for the board of directors to supervise the company's crisis management.

- The Company's Improvement Plan: Improvements will be made one by one according to the association's recommendations.

The implementation of the internal and external evaluation results will submitte to the Compensation Committee for approval and report to the Board of Directors on March 12, 2025.

◎Year 2025：

Appraisal Period	Appraisal Cycle	Appraisal Scope	Appraisal Method	Appraisal Contents
Once per Year	January 1, 2025 to December 31, 2025	Board of Directors	Self-evaluation of the Board of Directors	Degree of engagement in the Company’s operation, quality of the Board of Directors’ decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control.
Once per Year	January 1, 2025 to December 31, 2025	Individual Board Member	Self-evaluation of Board Member	Alignment with the Company’s goals and mission, awareness toward directors’ responsibilities and duties, degree of engagement in the Company’s operation, management of internal relations and communication, expertise and continuing education of directors, and internal control.
Once per Year	January 1, 2025 to December 31, 2025	Compensation Committee	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.
Once per Year	January 1, 2025 to December 31, 2025	Audit Committee	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.
Once per Year	January 1, 2025 to December 31, 2025	Sustainability Committee	Self-evaluation of Board Member	Degree of engagement in the Company’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional committees’ decision making, formation of the functional committees and election of members, and internal control.

- In January 2026, all directors and all functional committee (including Compensation Committee , Audit Committee and Sustainability Committee) members will conduct self-evaluation of the performance of the 2025 Board of Directors and functional committees (including Compensation Committee , Audit Committee and Sustainability Committee).
- The implementation of the internal evaluation results will be submitted to the Compensation Committee for approval and report to the Board of Directors on March , 2026.