

# Kwong Fong Industries Corporation

## Implementation Status and Results for Performance Evaluation of the Board of Directors

To implement corporate governance and enhance the functions of the Board of Directors, the Company has established performance objectives to improve the operational effectiveness of the Board. In accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company has adopted the "Rules for Performance Evaluation of Board of Directors" upon approval by the Board of Directors, stipulating that the Board shall conduct a performance evaluation on an annual basis.

### 1. Evaluation Cycle and Period

The Board of Directors shall conduct an annual performance evaluation in accordance with the evaluation procedures and indicators set forth in the Rules. The results of the Board performance evaluation shall be completed before the end of the first quarter of the following year.

### 2. Scope and Method of Evaluation

Scope of evaluation: The performance evaluation shall cover the overall Board of Directors, individual directors, and functional committees.

Method of Evaluation: Performance evaluations shall be conducted through internal self-evaluation by the Board, self-evaluation by individual Board members, or other appropriate methods.

### 3. Evaluation Procedures

Performance evaluations are conducted through self-assessment by directors using the Board Performance Evaluation Self-Assessment Questionnaire, the Board Members Performance Evaluation Self-Assessment Questionnaire, and the Functional Committee Performance Evaluation Self-Assessment Questionnaire.

### 4. Evaluation Indicators and Scoring Standards

The performance evaluation of the Board of Directors covers the following five major aspects:

- (1) Degree of participation in the Company's operations.
- (2) Enhancement of the quality of Board decision-making.
- (3) Board composition and structure.
- (4) Election and Appointment of directors and continuing education.
- (5) Internal control.

The performance evaluation of Board Members covers the following aspects:

- (1) Understanding of the Company's objectives and missions.
- (2) Awareness of directors' duties and responsibilities.
- (3) Degree of participation in the Company's operations.
- (4) Management of internal relationships and communication.
- (5) Professional expertise and continuing education of directors.
- (6) Internal control.

The performance evaluation of the Remuneration Committee covers the following aspects:

- (1) Degree of participation in the Company's operations.
- (2) Enhancement of the quality of decision-making by the Remuneration Committee.
- (3) Composition and structure of the Remuneration Committee.
- (4) Election and Appointment of committee members.

The performance evaluation of the Audit Committee covers the following aspects:

- (1) Degree of participation in the Company's operations.
- (2) Enhancement of the quality of decision-making by the Audit Committee.
- (3) Composition and structure of the Audit Committee, with no material differences from Article 37 of the Corporate Governance Best Practice Principles.
- (4) Election and Appointment of committee members.

## 5. Evaluation Results

In January 2026, the Company completed the performance evaluations of the Board of Directors, individual Directors, the Remuneration Committee, the Audit Committee, the Nominating Committee, and the Sustainability Development Committee.

The Board performance evaluation results for 2025 ranged between 5 ("Strongly Agree") and 4 ("Agree"). Directors expressed predominantly Strongly Agree responses across the evaluation indicators. The overall assessment concluded that the Board operates effectively, complies with corporate governance requirements, and effectively enhances the Board while safeguarding shareholders' rights and interests.

The evaluation results were reviewed by the Nomination Committee on March 13, 2026, and reported to the Board on the same day.

Evaluation Scale: Strongly agree-5 points; Agree-4 points; Neutral-3 points;  
Disagree-2 points; Strongly disagree-1 point