

IKKA HOLDINGS(CAYMAN) LIMITED

Board performance evaluation method

Article 1 (Purpose and basis of establishment)

In order to implement corporate governance and improve the functions of the company's board of directors, and establish performance targets to enhance the operational efficiency of the board of directors, these Measures are formulated in accordance with Article 37 of the Code of Practice for the Governance of Listed Overseas Companies for compliance.

The company should refer to these Measures and relevant regulations to formulate board performance evaluation methods, and may also formulate appropriate evaluation methods for different rated units.

Article 2 (Regulations to be observed)

The performance evaluation method of the company's board of directors, including its main evaluation cycle, evaluation period, evaluation scope and method, evaluation execution unit, evaluation procedures and other matters that should be followed, shall be handled in accordance with the provisions of these regulations.

The procedures for each functional committee should include provisions for conducting internal committee performance evaluations at least annually.

Article 3 (Evaluation Cycle and Period)

The company's board of directors shall conduct an internal board performance evaluation every year based on the evaluation procedures and evaluation indicators in Articles 6 and 8.

The performance evaluation of the company's board of directors should be carried out at least once every three years by an external professional independent agency or a team of external experts and scholars.

The results of the internal and external performance evaluation of the board of directors should be completed before the end of the first quarter of the following year.

Article 4 (Scope and Method of Assessment)

The scope of the company's board of directors evaluation includes the performance evaluation of the entire board of directors, individual board members and functional committees.

Methods of evaluation include internal self-evaluation by the board of directors, self-evaluation by board members, peer evaluation, appointment of external professional organizations, experts or other appropriate methods to conduct performance evaluation.

Article 5 (Evaluation Implementation Unit)

The executive unit of the company's internal board of directors performance evaluation should have a clear understanding of the operation of the unit being evaluated and have a fair, objective and independent role.

The execution unit of the functional committee evaluation. Since the operation of each functional committee is slightly different, it may be adjusted by different execution units depending on the departmental organizational structure of each company. The execution unit should be fair, objective and have the same characteristics as the evaluated unit. It is carried out by persons or units that have no direct interest in its operation. If the company has a corporate governance committee or nomination committee composed of independent directors, these committees should be the execution unit for the assessment.

Article 6 (Evaluation Procedure)

The performance evaluation procedures of the Company's Board of Directors are explained as follows:

1. Establish the units, period and scope to be evaluated in the current year (such as the entire board of directors, individual board members, functional committees, etc.).
2. Establish evaluation methods (such as internal self-evaluation of the board of directors, self-evaluation by board members (self or peers), peer evaluation, entrusting external professional institutions, expert evaluation, etc.).
3. Select the appropriate assessment execution unit.
4. Each executive unit collects information related to board of directors activities and distributes and fills in Appendix 1 "Board of Directors Performance Evaluation Self-Evaluation"

Questionnaire", Appendix 2 "Self-evaluation Questionnaire for Director Member Performance Evaluation" or Appendix 3 "Performance Evaluation of Functional Committees"

"Self-Assessment Questionnaire" and other related self-evaluation questionnaires. Finally, after the coordinating execution unit collects the data, the eighth Scoring criteria for the evaluation indicators, record the evaluation results report, and submit it to the board of directors for review and improvement.

Article 7 (External professional institutions and experts)

The external evaluation agency or team of external experts and scholars arranged by the Company to perform the performance evaluation of the Board of Directors shall meet the following requirements:

1. The external evaluation agency or team of external experts and scholars

should be professional and independent.

2. External evaluation agencies mainly provide services such as providing board-related education and training courses and improving corporate governance. related agencies or management consulting firms.

3. A team of external experts and scholars should appoint at least three experts or scholars from the board of directors or in the field of corporate governance to evaluate the company.

The company's board of directors conducts performance evaluations and prepares external evaluation analysis reports.

Article 8 (Evaluation Indicators and Scoring Criteria)

The company should consider the company's situation and needs to formulate measurement items for the board of directors' performance evaluation, which should include at least the following five aspects:

1. Degree of participation in company operations.
2. Improve the decision-making quality of the board of directors.
3. Board composition and structure.
4. Selection and continuing education of directors.
5. Internal control.

The measurement items for director member (self or peer) performance evaluation should include at least the following six aspects:

1. Mastery of company goals and tasks.
2. Cognition of directors' responsibilities.
3. Degree of participation in company operations.
4. Internal relationship management and communication.
5. Professional and continuing education of directors.
6. Internal control.

The measurement items for functional committee performance evaluation should include at least the following five aspects:

1. Degree of participation in company operations.
2. Cognition of functional committee responsibilities.
3. Improve the decision-making quality of functional committees.
4. Composition and selection of members of functional committees.
5. Internal control.

The indicators for the performance evaluation of the board of directors should be determined based on the company's operations and needs and are consistent with and suitable for the company's performance evaluation, and should be reviewed and made recommendations by the remuneration committee on a regular basis.

The scoring standards can be revised and adjusted according to the needs of the company, and can also be scored in a weighted manner based on each measurement aspect.

Article 9 (Use of evaluation results)

The performance evaluation results of the company's board of directors should be used as a reference when selecting or nominating directors; the performance evaluation results of individual directors should be used as a reference for setting their individual salaries and remuneration.

Article 10 (Annual Report Information Disclosure)

The company should disclose the implementation of the annual board of directors' performance evaluation in the annual report, which at least includes the evaluation cycle, evaluation period, evaluation scope, evaluation method and evaluation content.

If the company has external agencies or experts perform the performance evaluation of the board of directors, it should disclose the external evaluation agency, experts and their team members and professional descriptions in the annual report, as well as the independence statement of the external evaluation agency or experts, and explain the evaluation methods, standards and future Suggestions for improvement.

Article 11 (Methods of Disclosure)

The performance evaluation methods formulated by the company should be fully disclosed on the public information observatory and the company website for inquiry.

Article 12 (Implementation)

These Measures shall come into effect after being discussed and approved by the Board of Directors, and the same shall apply when amended.

Enacted on September 29, 2020.