

Diamond Biofund Co. Ltd.

2024 External Performance Evaluation of the Board of Directors

Summary Report

1. In accordance with Article 3 Paragraph 2 of the company's "Rules for Performance Evaluation of the Board of Directors" the performance of the Board of Directors shall be evaluated by an external professional independent institution or a team of external experts and scholars at least once every 3 years. In 2024, the board's external performance evaluation was entrusted to the "Taiwan Corporate Governance Association". The Taiwan Corporate Governance Association is an independent and professional institution dedicated to evaluating and assessing corporate governance systems, as well as conducting performance evaluations of boards of directors. It has extensive experience in conducting third-party board performance assessments.
2. The evaluation period for the materials reviewed by the Taiwan Corporate Governance Association was from November 1, 2023 to October 31, 2024. The on-site evaluation took place on December 17, 2024. The individuals interviewed included the company's Chairman, the convenor of the Audit and Remuneration Committee, independent director, the President, the Corporate Governance Officer, and the internal Audit Supervisor.
3. The evaluation procedures and the on-site evaluation team members from the Taiwan Corporate Governance Association are as follows:

(1) Evaluation procedures

Date	Main Procedure
2024.08.26	The company completed the registration process.
2024.10.21	The company began the self-assessment for the evaluation.
2024.11.01	The company completed the self-assessment for the evaluation.
2024.11.27	The association's evaluation committee members and specialists jointly conducted the document review.
2024.12.17	The association's evaluation committee members and specialists conducted the on-site evaluation.
2024.12.31	The association issued the board performance evaluation report.

(2) Evaluation team members

Team Members	Name
Executive Committee Member and Convenor	Fu-Wei Chen
Executive Committee Member	Pei-Chu Ho
Researcher	Shu-Hsiao Yen
Evaluation Specialist	Yi-Ching Sung

4. The evaluation report is divided into four main sections: Preface, Company Overview and Governance Features, Evaluation Recommendations, and Appendix. The summary of the content is as follows:

(1) Preface

the Taiwan Corporate Governance Association defines the scope of the "Board Performance Evaluation Service" to include the following five major dimensions:

- A. The composition and division of duties of the Board of Directors.
- B. The guidance and supervision provided by the Board of Directors.
- C. The delegation of authority and risk management by the Board of Directors.
- D. The communication and collaboration within the Board of Directors.
- E. The self-discipline and continuous improvement of the Board of Directors.

(2) Overall Evaluation Results

Your company was founded on January 9, 2013, as Taiwan's first publicly listed sustainable biotech venture capital. It focuses on investments in the biotech and medical fields, targeting globally competitive investment opportunities, including new drug development, advanced medical equipment, innovative medical services, medical pathways, and agricultural biotechnology. To date, the company has invested in and incubated over 20 outstanding biotech startups both domestically and internationally. The company's stock was listed on September 19, 2023.

Before the trend of public fundraising in venture capital companies was established, your company became the first venture capital to apply for listing after the approval of Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, setting an example in the venture capital industry. In order to comply with the listing commitment, your company proactively held a board re-election on May 21, 2024,

electing nine directors, including six independent directors (representing two-thirds of the total), and three female directors (representing one-third of the total), thereby strengthening the independence and diversity of the board. The board members possess expertise in various fields, including medicine, biopharmaceutical investment, technology, supervision, finance, accounting, and law, with decision-making and management experience in overseeing investments at all stages.

Your company actively participates in international evaluations such as the Dow Jones Sustainability Indices (DJSI) and Corporate Sustainability Assessment (CSA), aiming to understand global trends and learn from the practices of leading companies abroad. Additionally, the company interacts with similar biotech venture capital firms listed in the UK, with the goal of becoming a leader in Taiwan's venture capital industry, while adhering to the core values of responsible investment.

On June 27, 2022, your company established the Audit Committee and the Remuneration Committee, and on October 13, 2023, established the Nominating Committee. During the evaluation period, the Board of Directors held nine meetings, the Audit Committee held eight meetings, the Remuneration Committee held three meetings, and the Nominating Committee held two meetings.

Your company places great importance on sustainable development and has established a "Sustainable Development Executive Committee," chaired by the President. This committee oversees three functional task forces: "Social Engagement," "Corporate Governance," and "Sustainable Finance." Various departments participate in these functional task forces according to their business and responsibilities, and after listing, the company voluntarily prepares and publishes its ESG report.

In December 2022, your company's Board of Directors approved the establishment of a "Risk Management Policy and Procedures," which serves as the highest guiding principle for the company's risk management. The Board of Directors is the highest authority in decision-making regarding the company's risk management policy, responsible for approving, reviewing, and supervising the company's risk management policies to ensure their effectiveness. Additionally, a "Risk Management Team" has been established, with primary responsibility for monitoring and assessing the company's

risks and overseeing the execution of related activities. This team operates independently of business units and operational activities and reports to the Audit Committee. The Audit Committee regularly listens to the Risk Management Team's reports, oversees the effectiveness of the company's risk management, and reports the progress to the Board of Directors.

Your company has upgraded the Sustainable Development Executive Committee to a board-level functional committee in 2024, incorporating the responsibility for overseeing risk management. It has been merged with the existing Nominating Committee and renamed the Sustainable Development and Nominating Committee, with the goal of formulating the company's sustainability strategies and objectives, and achieving effective supervision and promotion through the Board of Directors.

Independent directors of your company, along with CPA and the Internal Audit Supervisor, hold closed-door meetings to understand the execution of internal audit plans and annual plans, as well as the progress of the auditor's work.

The President also serves as the Corporate Governance Officer, assisting the Board of Directors and individual directors in carrying out their duties, providing necessary information, arranging for continuing education, and handling matters related to board meetings and shareholder meetings in accordance with the law. Additionally, the officer helps ensure compliance with resolutions passed by the board and shareholder meetings, and maintains investor relations. Your company also organizes training for newly appointed directors, where the President reported on operational and investment conditions, financial structure, and business outcomes, assisting directors in understanding the characteristics of the company's industry when they first attended the board meetings.

In order to enhance the functionality of the board and strengthen corporate governance, your company's Board of Directors approved the "Board Performance Evaluation Guidelines" on May 17, 2022. The guidelines mandate the annual evaluation of the Board of Directors and functional committees, with the results submitted to the board. This serves as a reference for the future selection or nomination of directors and individual director compensation.

For self-improvement, your company has commissioned an external professional independent organization to conduct the board performance evaluation for the first time this year, which reflects your company's commitment to enhancing board effectiveness and is highly commendable.

(3) Evaluation Recommendations and Company Enhancement Plans

A. The compensation for your company's directors is primarily based on the company's Articles of Incorporation. In recognition of your company's emphasis on obtaining objective and professional opinions from independent directors and the desire to enhance the supervisory function, it is recommended to integrate the " Rules for Performance Evaluation of the Board of Directors " with the establishment of a director compensation management policy.

Enhancement plan: Appropriate compensation policy will be developed based on the suggestions.

B. The succession plan for your company's key executives is developed by the human resources unit and regularly reported to the Chairman of the Board. It is recommended that the Board of Directors regularly oversee the implementation of senior management talent development and succession plans, and review the inclusion of ESG (Environmental, Social, and Governance) indicators within the key performance indicators (KPIs) for senior executives, as well as the linkage to compensation. Additionally, when the Sustainable Development and Nominating Committee is established, it may be considered to include senior management talent development and succession matters within the scope of its organizational regulations, to help the company achieve its responsible investment goals and sustainability strategy.

Enhancement plan:

- a. The integration of ESG indicators into the key performance indicators (KPIs) of senior executives, along with their linkage to compensation, will be reviewed annually by the Remuneration Committee and the Board of Directors.*
- b. The HR unit will, based on the recommendations, report annually to the Board of Directors on the executive development and succession plans,*

along with their implementation status.

- C. Your company has established a procedure for reporting major incidents and has posted the whistleblowing guidelines and reporting mailbox on the company's website. The audit department is responsible for receiving the relevant information. To ensure that directors are better informed and can access relevant information in a timely manner, it is recommended that your company clearly define the primary responsible units and reporting deadlines within the major incident reporting procedure, and establish a mechanism where independent directors (or the Audit Committee) can receive the whistleblowing reports simultaneously.

Enhancement plan:

- a. According to Article 6 of the Company's 'Major Incident Reporting Procedure,' the spokesperson, President, and Chairman should discuss and assess the overall impact of the incident on the Company. If the impact is significant, immediate countermeasures should be developed. If necessary, relevant managers may be convened for further discussion, and the results of the actions taken should be communicated to the Directors.*
 - b. In accordance with Article 6 of the Company's 'Whistleblowing Policy' clearly outlines the process for handling whistleblower reports. In cases where the report involves directors or executives, the matter shall be reported to the Independent Directors.*
 - c. The Internal Audit unit will regularly compile statistics on the whistleblower mailbox submissions and report to the Independent Directors.*
- D. The performance evaluation of your company's Internal Audit Supervisor is approved by the Chairman of the Board. It is recommended that when evaluating the Internal Audit Supervisor, the opinions of the independent directors be considered, to strengthen the independence of internal audits and enhance the Audit Committee's supervisory function over internal auditing.

Enhancement plan: The annual evaluation of the Internal Audit Supervisor will be conducted and incorporating consultation and consideration of the Independent Directors' opinions when necessary, and will be finalized with the approval of the Chairman.



社團法人中華公司治理協會

董事會績效評估證明

茲證明

鑽石生技投資股份有限公司

委託本協會執行外部董事會績效評估服務專案

本協會評估小組成員

審閱公司自民國 112 年 11 月 01 日至 113 年 10 月 31 日期間相關文件，

並於 113 年 12 月 17 日評估小組成員與公司代表進行實地訪評，

爰於 113 年 12 月 31 日出具董事會績效評估報告，提供公司董事會參酌。

特此證明



理事長

陳清祥

依照分層負責規定
授權單位主管決行

中 華 民 國 113 年 12 月 31 日