

Sinyi Realty Inc.

Regulations on Performance Evaluation of the Board of Directors

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Article 1

To implement corporate governance and enhance the function of the Company's board and its functional committees, and to set forth performance objectives to improve the operation efficiency of the board of directors and its functional committees, the Regulations are established pursuant to Article 38 of the Company's Corporate Governance Principles for compliance.

The Regulations shall include operational methods, procedures and indicators governing the performance evaluation of the board and its functional committees, except the board sets up other special evaluation methods for the individual units subject to evaluation.

Article 2

The general evaluation cycles, evaluation periods, scope and method of evaluation, the unit conducting evaluations, evaluation procedures and other matters for compliance under the Company's regulations governing the performance evaluation of the board and its functional committees shall be subject to the Regulations.

The functional committees' charters shall be subject to review at least once a year as part of the Company's regulations governing internal performance evaluation for the committees.

Article 3

The Company shall conduct an internal performance evaluation of the board and its functional committees at the end of each year according to the evaluation procedures and the evaluation indexes in Articles 6 and 8.

The performance evaluation of the Company's board shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years. The performance evaluation for the current year shall be conducted at the year-end.

Internal and external board performance evaluations shall be completed before the first board meeting held in the following year.

Article 4

The Company's board evaluation scope shall cover the evaluation of the

board as a whole, individual directors and functional committees.

Methods of evaluations include the internal evaluation of the board, self-evaluation by individual board members, peer evaluation, and evaluation by appointed external professional institutions, experts, or other appropriate methods.

Article 5

The unit conducting internal evaluations of the Company's board of directors shall have an adequate understanding of the operation of the unit subject to evaluation. If the unit conducting internal evaluations is an external independent professional institution or a panel of external experts and scholars, the unit shall play a fair, impartial and independent role.

Unless other special regulations provide otherwise, the units conducting the evaluations in the two preceding paragraphs shall be the Company's financial division, the Board's agenda working group.

Article 6

The procedures for the board performance evaluation are as follows:

1. Determine the units to be subject to evaluation and the scope of evaluation in the current year, e.g. the board of directors as a whole (functional committees), individual board members, each functional committee, etc.
2. Determine the method of evaluation, e.g. internal evaluation of the board, self-evaluation by the board members of themselves or peers, peer evaluation, and evaluation by an appointed external professional institution and experts, etc.
3. Select the units appropriate to conduct the evaluations.
4. At the end of a year, the units performing evaluations will collect information about the activities of the board of directors and distribute self-evaluation questionnaires such as the Questionnaire of Self-Evaluation of Performance of the Board (Functional Committee), or the Questionnaire of Self-Evaluation of Performance of Board Members (for Themselves or Peers) to be completed. The unit responsible for evaluation will then collect all information and give scores based on the evaluation indexes in Article 8, record the evaluation results in a report, and submit the report to the board of directors or the functional

committees for discussion and improvement. The evaluation report of functional committees shall also be reported to the board of directors.

Article 7

When appointing an external evaluation institution or panel of external experts and scholars to conduct evaluations of board performance, the Company shall act in accordance with the following guidelines:

1. The external evaluation institution shall be an institution or management consulting firm mainly engaging in the provision of services for educational and training programs for board of directors and improvement of corporate governance of enterprises.
2. The panel of external experts and scholars shall appoint at least three experts or scholars specialized in the fields of board of directors or corporate governance to conduct evaluations of board performance of the Company and prepare external evaluation analysis reports.

Article 8

The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors (functional committees), which should cover, at a minimum, the following five aspects:

1. Participation in the operation of the company;
2. Improvement of the quality of the board of directors' decision making;
3. Composition and structure of the board of directors;
4. Election or continuing education of the directors; and
5. Internal control.

The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects:

1. Familiarity with the goals and missions of the company;
2. Awareness of the duties of a director;
3. Participation in the operation of the company;
4. Management of internal relationship and communication;
5. The professionalism and continuing education of the directors; and
6. Internal control.

The indexes of board performance evaluation shall be determined based on the operation and needs of the Company and suitable and appropriate for evaluations by the Company.

Scoring criteria shall be 5 grades, such as strongly agree, agree, neutral, disagree and strongly disagree.

Article 9

When electing members of the board of directors or nominating independent directors, the Company shall base its election on the evaluation results of the performance of individual directors as reference.

Article 10

The Company shall disclose in its annual report that the Regulations governing the performance evaluation of the board (functional committees) have been established as well as how the performance evaluation of the board (functional committees) have been conducted each year, with a description of the evaluation method provided.

In cases where an external institution or experts are appointed to conduct evaluations of performance of the board (functional committees), the Company shall, in the annual report, disclose the names of the external evaluation institution, names of the experts, and specialties of the experts, and indicate if the external institution and experts have business dealings with the Company and if they are independent.

Article 11

The Regulations shall be disclosed on the Market Observation Post System (MOPS) and the Company's website at all times.

Article 12

The Company's regulations shall take effect after having been discussed and approved by the board of directors. Subsequent amendments thereto shall be effected in the same manner.