# Succession plan of Board members and the related operation

I. The Company's "Articles of Incorporation" stipulates that the election of Directors shall adopt the candidate nomination approach, and the "Corporate Governance Best Practice Principles" and the "Rules for Election of Directors" stipulate that the composition of the Board should take into account the diversity which supports the Company's operations, business types and development needs. It should include and is not limited to, the standards of two aspects, basic conditions and value, and professional knowledge and skills.

II. The Company's ongoing Director succession plan builds a database of Director candidates based on the following criteria:

1. Honest, responsible, innovative, and has decision-making ability, aligns with the Company's core values, and has professional knowledge and skills that can help the Company's operation.
2. Has industry experience related to the businesses of the Company.
3. It is expected that the addition of the members will continue to provide the Company with an effective, collaborative, diverse Board that meets the Company's needs. There should be at least 1 female Director, and the aspects of the Board's expertise should include corporate strategy, accounting and taxation, finances, law, administrative management, and production management. The selection process of the Company's list of Director candidates must comply with the qualification review and relevant standards to ensure that when there is a vacancy or a need to increase the number of seats, the appropriate candidates can be identified and elected.

III. The Company also has formulated the "Rules for Performance Evaluation of Board of Directors," which has measurement items such as the alignment of the goals and missions of the Company; awareness of the duties of a Director; participation in the operation of the Company; management of internal relationship and communication; the Director's professionalism and continuing education; internal control and statement of specific opinions, etc. to confirm the effectiveness of the Board and performance of Directors as reference for future selection of Directors.

## Succession plan of key management personnel and the related operation

I. The Human Resources Department coordinates the establishment of talent development for succession and defines key positions. 2 to 3 candidates are selected for each key position, and the timetable for succession is specified, and there are four preparation schedules, within 1 year, 1 to 3 years, 3 to 5 years, and more than 5 years. Based on the strengths and capabilities to be developed of the succession candidates, consolidate training resources for their cultivation and development, and there are management courses, improvement of new technological capabilities and work rotations. There are also individual development programs (IDP) for the succession candidates, which incorporate capability evaluation into tasks and goals of the Company and departments to reinforce their strengths in their current positions to stay ready for the new positions.

II. Hold strategy consensus workshops for senior executives (including the General Manager) regularly every year to offer topic courses and discussions on future strategic planning. The courses include systems thinking, performance management and talent management, high-performance leadership, organizational change and continuous update, change management, strategic thinking and planning, career growth, talent development and leadership succession, strategy maps, leadership talent development, and systems, etc.

III. Conduct capability training for middle and senior management regularly every year. Share knowledge and experience of technology and benchmark companies within and outside the industry to enable participants to understand the latest management thinking and trends. Senior executives within the Company also share their years of leadership experience and practices with the Company's organizational culture, operations and management.