

Succession planning for board members and key management

Succession Planning and Operation of Board Members :

The members of the company's board of directors are selected through a candidate nomination system, and the process is carried out in accordance with the company's director election procedures.

The selection of board members considers diversity and aligns with the company's operational needs, business model, and development goals. The company has established an appropriate diversity policy and conducts an annual evaluation of the board's performance. The results of these evaluations serve as a reference for the future nomination and reappointment of directors.

In addition to possessing professional backgrounds, skills, and industry experience, board members must also have expertise in corporate management planning. To enhance the effectiveness of the board's functions, annual training courses are arranged during their tenure to help directors continuously acquire new knowledge, maintaining their core values, professional edge, and competencies.

Succession Planning for Key Management Personnel :

Employees at the assistant manager level and above are considered key management personnel within the company, responsible for various business management functions. Each management level has designated deputies to ensure continuity of operations. Key management personnel must not only have the necessary professional skills and background experience but also align their values and management philosophy with the company's core principles of "Service, Innovation, Respect, and Sharing."

The training and development of key management personnel are categorized into

management skills, professional capabilities, and personal development plans. To cultivate these key personnel and their deputies, the company utilizes both external training programs and the transfer of knowledge and experience from senior executives. This integrated approach aims to develop their decision-making and judgment capabilities.

Actual Implementation Status:

1. **In 2024**, the company planned succession training programs for key management personnel. The training content included courses on business management (totaling 34.5 hours), advanced performance (totaling 49 hours), corporate sustainability-related courses (totaling 13.5 hours), and professional technical courses (totaling 14 hours). On average, each succession candidate completed 22.2 hours of training.
2. **To align with the company' s future development goals**, in August 2024, the company promoted Vice President **Chen Tseng-Wen** to Senior Vice President; **Lan Yu-Lin**, Head of the Research and Design Division, was promoted to Assistant Vice President; and **Huang Sheng-Feng**, Head of the Sales Division, was promoted to Assistant Vice President.