Succession planning for board members and important management:

According to the development direction and goals of the Company, succession planning for board members and key management personnel emphasizes not only professional competencies but also integrity, ethical conduct, and alignment with the Company's core values.

(1) Board member succession plan

1. The Company's "Articles of Incorporation" adopts a full candidate nomination system for director elections. In accordance with the "Corporate Governance Best Practice Principles," the Company promotes board diversity, selecting board members based on the Company's operational and development needs, considering professional knowledge, experience across industry, government, and academia, and gender diversity.

2. On June 12, 2024, the Company completed the re-election of its 14th Board of Directors, consisting of 13 members including 5 independent directors. The newly elected board members possess diverse expertise spanning business operations, finance, accounting, AI and digital technologies, strategic marketing, and business development. Among the members of the Company's 14th Board of Directors, 3 are female directors, increasing the proportion of female directors from 8% to 23%, reflecting the Company's commitment to gender diversity. Following the re-election, the Board is younger and more diverse, leading the Company toward continuous innovation. Founder Cheng-Hai Hung stepped down from his role as Chairman after 36 years of leadership and successfully passed the baton to Shu-Wen Wang, ensuring the continued transmission of the Company's core values and culture.

3. Regarding succession planning for independent directors, candidates must possess expertise in business operations, finance, accounting, or other fields necessary for the Company's business. Future independent directors will be selected from professionals in domestic academia or industry, and their qualifications will be reviewed by the Nomination Committee to ensure appropriate succession.

4. The Company has established the "Rules for Performance Evaluation of the Board of Directors." The 2025 evaluations indicated effective operation of both the Board and its functional committees. These evaluation results serve as references for director remuneration planning and future nominations.

(2) Succession Planning for Key Management Personnel

1. To cultivate senior reserve talents for succession over the next 3–5 years, the Human Resources Department and all business units regularly conduct meetings, performance appraisals, and assign project tasks to evaluate key talents' performance and identify competency gaps, which are used as criteria for promotion decisions.

2. The Company emphasizes the transmission of experience and gender equality. Regular promotion evaluations are conducted to select and reward outstanding talents. In 2025, a total of 2 appointments were reviewed and approved by the Nomination Committee, with female senior and middle managers accounting for 50%. As of the end of 2025, the Company, Hsi-Chou Plant, Dayuan Plant, and overseas subsidiaries had a total of 82 management-level personnel (manager and above), of whom 31 were female managers, accounting for approximately 37.8%.

Annual	Appointment in 2025
Position / Gender	Manager
Male	1
Female	1

3. The Company is dedicated to implementing gender equality and talent diversity policies across all Group locations. As of 2025, management personnel at the manager level and above within the Company, the Xizhou Plant, the Dayuan Plant, and overseas subsidiaries totaled 82. Among them, 31 were female managers, representing approximately 37.8%. The Group will continue to optimize its global talent pipeline to ensure long-term sustainable operations.