

Succession planning for Board members and key management personnel

I. Succession plan for Board members:

The Company's Board members, whose ages range from 50 to 70, has expertise and industrial experience in management, chemistry and chemical engineering, precious metals refining, electrical engineering, legal affairs, steel, media, strategic management, etc., providing a diverse base of advice for the Company's operations. The Company will uphold the concept of altruism, walking with the wise and the strong, and will bring in or develop internal and external talents with diverse backgrounds, experience and expertise, management and leadership skills, who can lead the Company to sustainable operation and are employee-oriented when there is an election of the members of the Board of Directors or when vacancies arise.

II. Succession plan for key management personnel:

The successors of the Company's key management personnel must be able to meet the following criteria:

1. Talents who correspond to the Company's functions, who are altruistic, who put fairness and justice first, and who agree with the Company's business philosophy.
2. High level of strategic decision-making, be capable of operational judgment, financial analysis, and crisis management, and possess international perspective for the industry and general leadership capability.
3. Possess international visions, with the ability to coordinate and integrate opinions from all parties and prioritize decisions in the best interest of the organization.

The specific steps of the succession plan are:

1. Identify the competencies and requirements for the current position;
2. Establish a succession talent pool from which to select potential candidates for succession.

Operational status of the succession planning for Board members and key management personnel

I. Operational status of the succession planning for Board members

Regarding the succession planning for Board members, the Company currently has a number of senior management professionals, so the Company has an ample pool of talent to take over future director vacancies.

As for the independent directors, they are required by law to have working experience in business, legal affairs, finance, accounting, or the Company's business. The supply of such professionals domestically is not in shortage; therefore, the Company plans the succession of independent directors to come

from professionals in various fields within the industry.

The Company conducts succession planning for directors through the following methods:

1. Suitable candidates recommended by the current directors.
2. Suitable candidates recommended by the shareholders.
3. In parallel with the organizational changes of the subsidiaries, the executives of the management are selected join the Board of Directors of the subsidiaries and participate in the operational decisions of the subsidiaries in order to nurture future Board members.
4. The results of the Board of Directors' performance evaluation will be used as a reference for the nomination of directors for reappointment. In order to strengthen the effectiveness of directors' functions, the Company will keep abreast of the times and arrange annual continuing education courses to enhance the professional knowledge of directors, taking into account the changes in the Company's internal and external environment and conditions as well as development needs.

II. Operational status of the succession planning for key management personnel

The Company has established a Talent Development Committee, which selects high potential personnel through a talent inventory operation based on the Company's future strategic direction and key talent cultivation. The selection of the Company's successors is based not only on excellent professional and management skills, but also on values that are consistent with the Company's visions and personality traits such as honesty, integrity, innovation, and altruistic entrepreneurial spirit. In addition to internal training on management skills, the training for successors of key management personnel is combined with job rotation and external transfer to group companies to develop the decision-making ability of senior executives.

The Company conducts succession planning for key management personnel through the following methods:

1. The succession plan for the key management of the Company focuses on the cultivation of a talent pool and the identification of employees with high potential. The Company has set up a comprehensive education and training system and a promotion pipeline, arranged annual supervisory training and strategic consensus camps to provide continuous improvement and development opportunities, and planned thematic courses for the future development direction of the Company for the participants to discuss together, in order to build their strategic thinking and

leadership management skills, talent development and leadership succession, from which we select potential successor candidates to meet future succession needs of key management personnel.

2. The Company encourages the employees to improve themselves in their capabilities and participate in external training sessions in addition to internal ones.

3. Promote the Individual Development Program (IDP) for the key management personnel, identify the competencies and requirements for current positions through job function evaluation, and strengthen the competencies required for current positions by integrating the Company and departmental strategic objectives.