

# Succession planning for board members and management

## 1. Board member succession planning

The Company implements the policy of diversity of board members. There are currently 9 directors (including 3 independent directors), who possess diverse and complementary industrial experience, business, finance, accounting and the professional capabilities and management expertise required for corporate business. The company's directors are selected based on consideration of the composition of the board of directors and the implementation of its membership diversity policy. It also formulates diversified policies for the company's own operations, operating types and development needs, including but not limited to two major standards: basic conditions and values (gender, age, nationality and culture, etc.), and professional knowledge and skills.

Regarding the succession planning of the board of directors, the company trains senior managers to join the board of directors so that they are familiar with the operations of the board of directors and the business of each unit of the group. Currently, the Group has a number of senior management professionals who possess the management and professional capabilities required by directors. Therefore, the Company has sufficient talents to be selected as future directors. In addition to considering diversity, directors who also serve as company managers do not account for more than one-third of the directors' seats. They will also pay attention to gender equality and have the necessary knowledge, skills and qualities to perform their duties. At the same time, the company will also consider recruiting external professionals for director succession planning. The current chairman, Mr. Yu Wan Yi, joined the management team in 1998 and held various positions including general manager. He joined the board of directors in 1998 and took over as chairman in 2012. As for independent directors, they are required by law to have work experience required in business, legal affairs, finance, accounting or company business. The company hires professionals in accordance with legal regulations to further exert its corporate governance function.

## **2. Major Management succession planning**

The company's important management training focuses on talent cultivation and the development of employees with high potential. In addition to encouraging employees to improve their abilities, the company also has comprehensive education and training application channels, assessment systems and development opportunities. In addition, the company's organizational hierarchy is responsible for management and establishment according to organizational levels. Each department has a job agent system and develops and trains the capabilities of relevant personnel. The company conducts employee performance appraisals every year. Through training and assessment, we will cultivate their abilities and decision-making qualities in order to cultivate multi-faceted talents and prepare for talent inheritance planning. The current general manager, Mr. Chang Yi Wei, joined the company in 1998 to lead ALLTOP Group and took over the position of general manager in 2012.