

Board Member Succession Plan

The directors adopt a candidate nomination system, and each term of office is three years. The election of directors shall be conducted by the "Director Election Procedures" unless otherwise stipulated by laws and regulations or the articles of incorporation.

The composition of the board of directors shall take diversity into consideration. It is advisable to formulate an appropriate diversity policy based on the company's business operations, operating dynamics, and development needs, which should include, but not be limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

The company conducts director succession planning through the following methods:

1. The current directors recommend suitable candidates.
2. Candidates for directors recommended by shareholders.
3. The performance evaluation results of the board of directors are used as the reference for nominating directors for re-election.

In order to strengthen the effectiveness of the board's functions, the company will keep pace with the times, regularly considering changes in both internal and external environmental conditions as well as development needs, and arrange annual training courses to enhance the professional knowledge and skills of the directors.

Succession Planning for Key Management Levels

The succession planning for key management levels involves not only considering whether the candidates possess exceptional professional and managerial abilities but also ensuring that their values align with the company's philosophy. Additionally, candidates must demonstrate personal traits such as integrity, diligence, innovation, and corporate spirit.

Regarding the training content for management successors, in addition to internal training focused on management skills, it combines job rotations and external assignments within the group company to comprehensively cultivate the decision-making abilities required for senior management roles. For external training programs, the company generally arranges management seminars for training its management personnel.

In response to the group's organizational development and growth momentum, the company has continuously and proactively cultivated senior executives and, through job rotations and external assignment plans, selected well-rounded talents to strengthen the future management team.

The company initiated its Chairman succession plan in 1998, when it went public, appointing Tsuang-Chi Wu as the CEO of the GSK Group, responsible for expanding the group's business in mainland China, while concurrently serving as a director of the company. In 2001, he succeeded the founder, Mr. Wu Chongqi, as the Chairman of the company. The Board succession plan was initiated in 2008, with the current director, Kuan-Hsing Wu, joining the company and undergoing training in various positions, including specialist, senior specialist, and section manager, before being appointed as a director. The General Manager succession plan was launched in 1998, with the current General Manager, Chung-Ming Wu, trained in roles such as section manager, deputy director, and manager. In 2008, he was assigned as the General Manager of the company's Vietnam subsidiary, and in 2012, he returned to take the position of General Manager and Director of the company.