

Succession plan and implementation for board members and the senior management

Succession plan and implementation for board members

Election of directors of the Company shall follow the candidates nomination system provided in the Articles of Incorporation. The term of office of a director is three years and handle in accordance with the Rules of Directors Election. In addition to performance assessment results of individual directors based on the Rules for Board of Directors Performance Assessments of the Company to be included as part of the criteria for electing or nominating a director, the Corporate Governance Best Practice Principles of the Company provide the skills required of a member of the board of directors and the ability to formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, culture and so on.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills (e.g., sound business judgments, accounting and financial analysis, business management, crisis management, industry know-hows, understanding of international markets, leadership, or decision making), and industry experience.

Assessment of a director's performance under the Rules for Board of Directors Performance Assessments of the Company covers aspects including alignment of the goals and missions of the company, awareness of the duties of a director, level of participation in company operations, internal relationship management and communications, a director's professionalism and continuing education, and internal control, which serve not only to verify board effectiveness, but also to evaluate the performance of individual directors.

In addition to strategic thinking skills, a succession candidate should possess business planning skills and professional experience in his/her area of business. To strengthen the board of directors, the Company arranges continuing education for board members. These courses focus on corporate governance issues, including finance, risk management, business, commerce, legal affairs, accounting, corporate social responsibility, internal control, and financial reporting requirements. To ensure effective corporate governance, a director is required to take six hours or more of these courses in order to help him/herself acquire the latest know-how and become familiar with his/her role, function, responsibilities, and obligations on the board.

Succession plan and implementation for the senior management

WT Microelectronics has a management team that consists of professionals from various backgrounds. A designated department is currently in place to meet regularly to discuss and plan succession candidates and their training in order to meet the demands of the Company's continuous growth and business development.

Succession candidates for the senior management (including chairperson, CEO, and president) must possess good business ethics above all else. A candidate must have values aligned with the Company's corporate culture and business philosophy, and possess forward-looking planning ability, business management ability and thinking, an insight into changes in the industry and timely response, and perfect execution.

Annual training plans for the senior management follow the Training & Development Roadmap established by the designated department. Leadership courses are designed to match the level of authority in order to improve the management's management skills and leadership approaches. Training is also designed to encourage the management to lead the team to achieve the organization's goals. Meanwhile, professional training and language courses are also arranged to enhance the management's professional and language capabilities. Succession candidates for the senior management have a 100% participation rate in the annual courses. In addition to classroom training, job rotation, one-on-one instruction, and participation in executive team meetings help succession candidates advance their management skills and philosophies. This is a systematic approach to

strengthen future management teams and achieve "professional ethics and sustainable management".