

GlobalWafers Co., Ltd.

Board of Directors and Key Management Succession Plan

Board Member Succession Planning and Implementation

Our company adopts a candidate nomination system for electing directors and has established the Nomination Committee responsible for planning the composition of the Board of Directors and selecting candidates. The selection process takes into account the company's size, industry characteristics, and operational needs. It holistically evaluates candidates' professional competencies, industry experience, gender diversity, and independence to ensure the overall effectiveness and sustainability of the Board's functions.

The guidelines for director nomination and selection include:

- Using Board performance evaluation results as a reference for the re-election of incumbent directors.
- Building a director talent pool and seeking suitable candidates through recommendations from incumbent directors, external organizations, or consultants.
- Proactively soliciting candidates with professional expertise that align with the company's development requirements.
- Considering candidates recommended by shareholders to balance the company's overall interests and governance structure.

Additionally, our company regularly reviews the Board composition and talent reserve under the 《Board Diversity Policy》 and the overall competencies required (such as business judgment, crisis management, accounting and finance, industry knowledge, international perspective), ensuring the foresight and continuity of the succession mechanism.

As of now, the company's 6th Board of Directors consists of 8 members (including 4 independent directors), all possessing expertise in operations management, industry knowledge, technical expertise, leadership and decision-making, financial analysis, and strategic planning, allowing them to effectively perform their oversight and guidance duties.

To enhance the Board's competencies and preparedness for succession, our company plans annual continuing education and training courses tailored to the evolving external environment and industry landscape. This assists new and incumbent directors in continuously improving their skill sets and ensures alignment of the Board's governance capabilities with the company's sustainable growth goals.

Key Management Succession Planning and Implementation

To ensure stable and sustained operations and organizational development momentum, our company implements a prudent and systematic succession plan for key management positions (senior managements, including the President). Candidates must possess exceptional management, decision-making, and analytical abilities and demonstrate outstanding execution in their areas of expertise. They must also share the company's business philosophy and embody integrity and honesty. Based on overall business strategies and organizational structure, our company assigns suitable leadership talents and succession teams. Selection and training of candidates are anchored on performance, personal character, and future growth potential.

- **Reward system and long-term incentive mechanism - Improve talent retention**
 - ✓ Implementing "Golden Handcuffs" and long-term incentive plans (LTIP), such as virtual stock awards, performance bonuses, ESOT (Employee Stock Ownership Trust), and special promotion opportunities. Special agreements, such as retention contracts tied to bonus payouts, may also be executed with key talents.
 - ✓ Providing opportunities for "Personal Branding," such as participation in Fellow Programs, mini-EMBA programs, ongoing education, engagement in industry forums, and presenting at internal technical seminars, helping high-potential employees raise their profile in the industry.
- **Talent retention strategy**
 - ✓ Providing competitive compensation in different markets (using third-party salary market surveys for benchmarking) to maintain attractive compensation and benefits.
- **Cooperating with government agencies to prevent industrial espionage and protect technology assets.**

- **Requiring all sites to submit a list of top-level or division-level and above manager successors to ensure a full succession team.**

Talent Development and Training

- ✓ Ready Now: Shadowing, project leadership, and interim assignments.
- ✓ Ready within 1–2 years: Leadership training, international rotations, and strategic thinking development courses.
- ✓ Ready within 3–5 years: Deepening technical expertise, cross-functional rotations, and business development experience.
- ✓ No Suitable Candidate: Initiating internal promotion or external recruitment to ensure key roles are adequately filled.

Monitoring and Adjustments

- ✓ Reviewing successor development progress and adjusting training plans as needed. If a succession plan cannot be fulfilled, evaluating whether to split functional roles or revise talent strategies.