



Succession planning and operation of key management

In addition to good communication skills, rich knowledge and skills, excellent performance and potential for development, the basic conditions required by the Company when planning the management succession program, the values identical to the Company's are also essential.

The Company conducts the successful model function evaluations for the mid-level managers and above, and develops the talents and successor team by referring to the evaluation results. In addition to allowing the talents to exert their personal expertise on-job, they are rotated to perform different tasks; and through the participation of various operating decision-making meetings, they foster the ability to formulate strategies as the development of a successor team.

The training pattern for executive successors is divided into management ability training, professional ability test, personal development plan and job rotation. The content includes production, sales, HR, R&D, and finance. Moreover, based on the results of the annual leadership and talent development assessment, the chairman and the president coach the managers; meanwhile, with the ability training at the professional institutions, participation in industry strategic planning seminars, to enable the trainees integrate and apply what they learn as the development of decision-making ability. The successor team are appointed to serve as the presidents and director of the subsidiaries (please refer to the sections of related affiliate information), to cultivate the executives to join the board of directors, and enable them to get familiar with the works of the board, as well as the business of each function of the Group. Through the trainings in subsidiaries and joint ventures, they are cultivated for the comprehensive and cross-field strategic perspective.

In addition to executives, the entry-level managers are trained actively to embrace challenges, and the gender equality policy guideline of Taiwan is implemented to increase female's participation in the Company's trainings and management.

Ennostar

The Company has established the “Operation and Management Committee” under the board of director, with the same term of office as the board. The chair is the chairman of the board inherently. The chair recommended three members (i.e. Shuan-Lang Peng, Chin-Yung Fan, Feng Cheng Su), approved by the board of directors. The Operation and Management Committee convenes meeting monthly, and may convene meeting if required. Up to now, the meetings are held regularly every month, and the 100% attendance rate of the four members demonstrate their active participation.

The powers of the “Operation and Management Committee” are as following:

1. Analyze industry evolutions and improve the operation of the Group, formulate short, medium and long-term strategic planning and implementation, to achieve the Group's operating goals.
2. Formulate inter-group strategic collaboration and resource integration plans, including investment, capital increase/decrease, acquisition and disposal of major assets and financing.
3. Supervise the long-term cultivation plan of management successors and its implementation, and plan the job rotation and appointment of management successors in Ennostar, Epistar, Lextar Electronics and Unikorn, among the key subsidiaries.
4. Changes in the chairman and CEO (general manager) of the publicly issued companies and non-100%-owned subsidiaries within the group.
5. Evaluate and propose the Group’s organizational adjustment. (Refers to the Group’s highest-level organizational structure; the organizational changes of individual companies shall be implemented based on the division of accountability measures)

Resolutions on the aforesaid matters shall be approved by more than half of all the committee members, and the Company’s authority of approval or resolution of the board is applied, as the case may be.