

## Succession planning for board members

In order to establish good corporate governance, TBB adopts a candidate nomination system for the selection and appointment of directors. After the Bank accepts the nomination of director candidates from shareholders holding more than 1% of the shares, the board of directors will review the qualifications of director candidates before it is included in the annual shareholders meeting. To handle the election of directors, the 16th board of directors was elected at the general meeting of shareholders on July 20, 2011.

There are 4 equity representative directors of the Ministry of Finance, 3 equity representative directors of the Bank of Taiwan, and 1 equity representative director of the National Development Fund, Executive Yuan, 1 equity representative director of TBB Corporate Union, 1 natural person director and 5 independent directors were elected. A total of 15 directors form the board of directors. The directors generally possess professional capabilities in business management, leadership decision-making, industry knowledge, accounting and taxation.

Regarding the succession planning of the board of directors, the Ministry of Finance conducts performance appraisal and supervision of its equity representative directors every year in accordance with the "Key Points for the Management of Managers, Directors and Supervisors of Private Business Institutions Appointed by the Ministry of Finance", and the chairman and general manager every six months according to "Key Points for the Implementation of Performance Evaluation of Public Equity Enterprises Subsidiary to the Ministry of Finance" conduct performance evaluation as a reference for the continued selection of public equity representative directors and future successors. In 2023 years, the Ministry of Finance has performed semi-annual performance of its equity representative directors, chairman and general manager. The results of the assessment are all in line with the requirements for continued assignment.