



## Rules for Election of Directors

### Article 1

For the purpose of fair, just, and open selection of directors, the present measures are hereby formulated in accordance with Article 21 and Article 41 of the code of Corporate Governance Best Practice Principles for TWSE & TPEx Listed Companies.

### Article 2

The selection and appointment of directors of the Company shall be governed by this act unless otherwise provided in the act or the articles of association.

### Article 3

The selection of directors of the Company shall consider the overall allocation of the Board of Directors. Diversification shall be considered to form the Board of Directors. Appropriate diversification policy shall be drawn up for their own operation, operation patterns and development demands, including but not limited to the standards of the following two major aspects:

1. Basic conditions and values: gender, age, nationality, culture, and so on.

Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Members of the Board of Directors shall generally possess the knowledge, skills and literacy necessary for performing their duties, and their overall abilities shall be as follows:

1. Operation judgment ability.
2. Accounting and financial analysis ability.
3. Operation management ability.
4. Crisis management ability.
5. Industry knowledge.
6. International market perspective.
7. Leadership.
8. Decision ability.

More than half of the Directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The Board of Directors of the Company shall adjust the composition of the Board of Directors according to the result of performance evaluation.



#### Article 4

The qualification of the independent director of the Company shall be in accordance with the provisions of Article 2, Article 3 and Article 4 of the “Measures for The Establishment of Independent Directors of a Publicly Owned Corporation”.

The selection of the independent directors of the Company shall comply with the provisions of Article 5, Article 6, Article 7, Article 8 and Article 9 of the “Measures for The Establishment of Independent Directors of a Publicly Owned Corporation”, and shall be conducted in accordance with Article 24 of the “Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies”.

#### Article 5

Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors will be elected.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company’s Corporate Charter, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or Subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

#### Article 6

The election of the directors of the Company shall adopt the cumulative voting system. Each share shall

have the same voting right as the number of directors to be elected. One person may be collectively elected, or several persons may be allocated for election.

#### Article 7

The Board of Directors shall prepare an election ticket equal to the number of directors to be elected, add the weight thereof and distribute it to the shareholders attending the shareholders' meeting, and the name of the electors shall be substituted by the number of the attendance certificate printed on the election ticket.

#### Article 8

The number of directors of the Company shall be calculated in accordance with the articles of association, and the number of independent and non-independent directors shall be calculated respectively. Those who have more electoral votes shall be elected successively. If more than two directors have the same number of votes and exceed the prescribed number of directors, the number of directors with the same number of votes shall be determined by drawing lots.

#### Article 9

Prior to the commencement of the election, the chairman shall appoint a number of vote monitors and a number of vote talkers with shareholder status to perform the relevant functions. Ballot boxes shall be prepared by the Board of Directors and shall be opened and inspected openly by the voting supervisors before the voting.

#### Article 10

If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, if the government or judicial person shareholder is the elected person, the name of the government or judicial person and the name of its representative shall be indicated in the name column of the registered elector of the election ticket; if there are several representatives, their names shall be added separately.

#### Article 11

An election ticket shall be invalid if:

1. Votes not prepared by the Board of Directors.

One who casts a blank ballot at a ballot box.



Illegible or altered writing.

If the registered elector is a shareholder, the name of his/her household and the number of his/her household do not correspond to the register of shareholders; if the voter is not a shareholder, his/her name and identity document number are not verified.

Other than the name of the elector's household (name) or the number of the shareholder's household (identification document number) and the number of voting rights allocated, other words are written within.

An elector whose name is the same as that of any other shareholder and whose shareholder's account number or identification document number is not entered for identification.

#### Article 12

Open ballot boxes right after the voting, the chairman shall announce the list of directors elected on the spot and the weight of their election. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit drawing legal grounds from Article 189 of the Company Act, the records shall be retained until the end of the litigation.

#### Article 13

The Board of Directors of the Company shall issue a letter of advice of election to the elected director.

#### Article 14

Matters not covered by these measures shall be handled in accordance with the Company Act and relevant laws and regulations.

#### Article 15

These measures shall be implemented after being approved by the Board of shareholders and shall be the same when amended.