

TSC Auto ID Technology Co., Ltd.
Procedures for Election of Directors

- I. In accordance with the provisions of the Company Act and the Articles of Incorporation of this Company, the directors of this Company shall be elected in accordance with the rules specified herein.
- II. This Company's directors shall be elected by adopting the candidate nomination system specified in the Company Act and the Company's Articles of Incorporation, and the shareholders shall elect the directors from the list of candidates.

The Company's directors shall be elected through a voting system in which the names of the electors shall be replaced by the attendance numbers printed on the ballots. The ballots shall be prepared by the board of directors. The form and contents of the ballots and the items to be filled in shall be based on the printed ballots, which shall not be added, deleted or altered by the electors. The ballots shall be put into the ballot box designated by the Chairperson. Except as provided in the preceding paragraph, shareholders may exercise their voting rights by correspondence or electronic means. The method shall be specified in the shareholders meeting notice.
- III. In the election of directors of the Company, unless otherwise provided in the Company's Articles of Incorporation, each share will have voting rights in number equal to the directors to be elected, and the board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected and shall distribute them to the shareholders. These ballots may be cast for a single candidate or split among multiple candidates.
- IV. The non-independent directors of the Company shall be elected by the shareholders' meeting from among the persons with disposing capacity. Independent directors shall be elected in accordance with the provisions of Article 5 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and the candidates who receive the most votes in accordance with the number of positions provided for in the Company's Articles of Incorporation shall be elected as directors. If the elected director declares that he/she has abstained before submitting the change of registration to the competent authority, the vacancy shall be filled by the person who received the next largest number of votes. In the event two or more candidates receive the same number of votes beyond a quota, the winner shall be determined by drawing lots. One lot may be drawn by the chairperson for each of the absentees.
- V. When the board of directors shall prepare the ballots by attendance card numbers. The number of voting rights associated with each ballot shall be specified on the ballots.
- VI. During the election, the chairperson shall appoint vote inspectors and vote counters to take charge of inspecting and counting the votes.
- VII. A ballot box shall be provided by the board of directors and shall be kept in public view by the vote inspector before the vote.
- VIII. 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. Voters shall drop the ballots into the ballot box. In the event a legal entity is a shareholder, both the full registered name of the legal entity and the name of its legal representative shall be entered on the ballot.

If there are more than one legal representative, the names of the legal representatives should be entered separately.

- IX. Ballots shall be deemed void under the following conditions:
1. Ballots not prepared by this Company in accordance with these Rules.
 2. A blank ballot is placed in the ballot box.
 3. The writing is unclear and indecipherable or has been altered.
 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 5. The voter cast votes for two or more candidates in the ballot.
 6. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
 7. No shareholder account number or shareholder account number (or identity card number) is provided in the ballot.
- X. The ballot box shall be set up by the board of directors for the election of directors and shall be opened by the vote inspector after the vote is completed.
- XI. The counting of votes will be monitored by the vote inspectors and the results will be announced by the chairperson immediately.
- XII. The board of directors shall issue notifications to the directors elected.
- XIII. The matters not covered by this Procedure shall be handled in accordance with the Company Act, the Company's Articles of Incorporation and relevant laws and regulations.
- XIV. This Procedure and any revision thereof shall become effective after approval at the shareholders' meeting.
- XV. This Procedure was established on June 13, 2007.
The first amendment was made on June 18, 2010.
The second amendment was made on June 8, 2017.