TSC Auto ID Technology Co., Ltd.

Rules of Procedure for Board of Directors Meetings

Article 1. (Basis of Formulation)

In order to establish a strong governance system for the Board of Directors and to improve and strengthen the supervisory and management functions of the Company, these Rules are formulated in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies".

Article 2. (Scope of application)

The contents of the agenda, operating procedures, matters to be recorded in the meeting minutes, public announcements, and other matters pertaining to the Company's Board meetings shall follow these Rules.

Article 3. (Notice for the Convening of the Board of Directors Meeting)

The Board Meeting of the Company shall be convened at least once every quarter.

The meeting of the Board of Directors shall be convened with a seven-days' notice to the Directors, specifying the reason for convening, but in case of emergency, it may be convened at any time. The notice of the meeting may be made by electronic mail or facsimile transmission. Directors shall be deemed to have received the notices if they attend the meeting in person.

The matters referred to in the first paragraph of Article 12 shall be listed in the reasons for convening the meeting and shall not be proposed as an extemporary motion.

Article 4. (Meeting notice and meeting materials)

The administrative unit designated by the Company's Board of Directors is the Finance Department.

The administrative unit shall set forth and prepare agenda items for the Board of Directors' meetings and provide comprehensive pre-meeting materials, to be sent together with the meeting notice.

A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the administrative unit to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the Board of Directors.

Article 5. (Preparation of attendance books and attendance of directors by proxy)

When a Board of Directors' meeting of the Company is convened, an attendance book shall be made ready for signature by directors attending the meeting and thereafter made available for future reference.

The directors shall attend all meetings of the Board of Directors in person. If a specific director cannot attend a session in person, he/she may appoint another director to attend the meeting on behalf of him/her in accordance with the Articles of Incorporation. Directors participating in a video conference shall be deemed attending the meeting in person.

Where a director appoints another member to attend the Board of Directors' meeting on their behalf, they shall issue a written proxy statement and state therein the scope of authority for each item to be discussed at the meeting.

A proxy shall accept the authorization of only one other member.

Article 6. (Guidelines for Location and Time of Board Meetings)

The Board of Directors shall convene the meeting at the business place of the Company during regular business hours, or at a place and time convenient for the directors to attend.

Article 7. (Chairman and proxy)

Where the Board of Directors meeting of the Company is convened by the Chairman, the meeting shall be chaired by the Chairman. However, the first meeting of each newly elected Board of Directors shall be convened by the director who receives votes representing the largest portion of voting rights at the shareholders' meeting in which the directors are elected. If there are two or more directors so entitled to convene the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where the Board of Directors meeting is convened by a majority of directors on their own initiative in accordance with Paragraph 4, Article 203 or Paragraph 3, Article 203-1 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the Chairman is on leave or for any reason unable to exercise the powers of the chair, the Vice Chairman shall do so on behalf of the Chairman, or, if the Vice Chairman also is on leave or for any reason unable to act, by a director designated by the Chairman, or, if no such designation is made, by a director elected by and from among themselves.

Article 8. (Reference materials of the Board of Directors, attendees and the convening of the Board of Directors)

When a board meeting of the Company is convened, the meeting unit shall prepare relevant information for the reference of directors at any time.

When the Company convenes a board meeting, the personnel from the relevant departments or subsidiaries may be notified for non-voting attendance depending on the content of the proposal. If necessary, CPAs, lawyers or other professionals may also be invited to attend meetings and give explanations. However, they shall leave the meeting during the discussion and voting.

The chairperson of the board shall call the meeting to order immediately when more than half of the directors have attended the meeting.

At the appointed meeting time, if half of all directors actually in office are absent, the chairperson may announce a postponement of the meeting on that day. The number of postponements is limited to two. If the quorum is still insufficient after two postponements, the chair may re-convene in accordance with the procedures specified in Article 3, Paragraph 2.

Article 9. (Digital Records)

The Company shall digitally record the entire proceedings of the Board of Directors' meeting, and preserve the recordings for at least five years.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a meeting of the Board of Directors, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded, while the requirements referred to in the preceding paragraph shall not apply.

If a video conference is convened, the video and audio data shall be an integral part of the meeting minutes and shall be properly kept by the Company during the existence of the Company.

Article 10. (Agenda)

The contents of the Company's regular Board meetings shall at least include the following items:

I. Report Items:
   (1) Minutes of the previous meeting and their implementation.
   (2) Important financial and business reports.
   (3) Internal audit report.
   (4) Other important reporting matters.
II. Discussions:
   (1) Discussion items reserved from the previous meeting.
   (2) Matters scheduled for discussion at the meeting.
III. Extemporary Motions.

Article 11. (Proposal Discussion)

The board meeting of the company shall proceed in accordance with the agenda scheduled in the notice of the meeting. However, it may be changed with the consent of more than half of the attending directors.

The chairman shall not declare the meeting adjourned without the consent of more than half of the directors present.

During a board meeting, if the number of directors present does not reach more than half of the directors present, upon the proposal of the directors present, the chairperson shall announce the suspension of the meeting, and the suspension of paragraph 4 of Article 8 shall apply.

Paragraph 3 of Article 7 shall apply to the appointment of proxies of the chairperson who is unable to preside over the meeting or adjourned without complying with the provisions of paragraph 2 when board meetings are in progress.

Article 12. (Items to be discussed by the Board of Directors)

The following matters shall be submitted to the board of directors for discussion:

I. The Company's business plan.
II. Annual and semi-annual financial statements. Except for the semi-annual financial statements that are not subject to audit by a CPA as required by law.
III. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act, and evaluation of the effectiveness of the internal control system.
IV. Establishment or amendment of the Procedures for the Acquisition or Disposal of Assets, Engagement in Derivative Transactions, Loaning of Funds to Others, Endorsement or Guarantee for Others, and Procedures for Significant Financial Business Acts in accordance with Article 36-1 of the Securities and Exchange Act.
V. Offering, issuance or private placement of equity-type securities.
VI. If the board of directors does not have a managing director, the election or discharge of the chairman.
VII. Appointment and dismissal of financial, accounting or internal auditing officers.
VIII. Donations to related parties or significant donations to non-related parties. However, the public welfare donations for emergency relief due to major natural disasters may be submitted to the next board meeting for ratification.
IX . Matters that should be resolved by the shareholders' meeting or the board of directors in accordance with Article 14-3 of the Securities and Exchange Act, other laws and regulations or the articles of association, or major matters as required by the competent authorities.

The related parties referred to in Subparagraph 8 of the preceding paragraph mean the related parties regulated by the Regulations Governing the Preparation of Financial Reports by Securities Issuers; the material donations to non-related parties as used herein mean the amount of each donation or the cumulative donation to the same subject. More than NT$100 million, or 1% of the net operating revenue or 5% of the paid-in capital in the most recent financial report certified by a CPA.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current Board of Directors meeting is convened. The amounts already submitted to and passed by a resolution of the Board of Directors are exempted from inclusion in the calculation.

In the case of a foreign issuer whose shares have no par value or a par value other than NT$10, the amount of 5% of paid-in capital stipulated in Paragraph 2 will be substituted with the amount of 2.5% of shareholders' equity.

At least one independent director shall attend each Board meeting of the Company in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the Board of Directors referred to in Paragraph 1, each independent director shall attend in person. If an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the Board of Directors meeting minutes.

Article 13. (Voting (1))

When the chair at a Board of Directors meeting is of the opinion that a matter has been sufficiently discussed to put to a vote, the chair may announce the discussion closed and bring the matter to vote.

When a proposal comes to a vote at a Board of Directors meeting of the Company, if the chair puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved.

Where the voting method referred to in Paragraph 4 is adopted by the Board of Directors, in addition to passing the motions upon unanimous agreement of the all directors present at the meeting as referred to in Paragraph 2 of this provision, the Board of Directors shall also apply the requirements under Article 14 herein.

The voting method shall be determined by the Chairman from one of the following provisions. However, if the attendees have objections, they shall be decided by a majority opinion:

I. By show of hands.

II. Vote by roll call.

III. Vote by balloting.

IV. Other methods.

The phrase "All directors present at the meeting" as stated to in the preceding two paragraphs does not include directors prohibited from exercising voting rights pursuant to Paragraph 1, Article 15 herein.

Article 14. (Voting (2) and methods of vote monitoring and counting)

Unless otherwise provided in the Securities and Exchange Act, the Company Act or the Articles of Incorporation, a resolution of a Board meeting shall be made by a majority of the Directors present at a meeting attended by more than half of all Directors

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. However, if any one of the proposals on a particular item has been passed, other proposals on that item shall be deemed rejected and no further voting is required.

Vote monitoring and counting personnel, if necessary, shall be appointed by the chairperson, provided that all monitoring personnel shall be directors.

The results of the voting by the Committee shall be announced on the spot and recorded.

Article 15. (Recusal from conflict of interest of directors)

If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item. They may not act as another director's proxy to exercise voting rights on that matter.

Where the spouse or a relative by blood within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to said agenda item, such director shall be deemed to be an interested party with respect to that agenda item.

The provisions of Paragraph 2, Article 180 of the Company Act, as applied mutatis mutandis under Paragraph 4, Article 206 of the same Act, apply to resolutions of the Board of Directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.

The Company shall have dedicated personnel establish and maintain the name list of directors and their related persons, and remind directors participating in the discussion and voting to note said recusal in the notice or document when convening a Board of Directors meeting.

Article 16. (Meeting minutes and signatures)

The Board of Directors' meeting minutes of the Company shall be recorded. The meeting minutes shall state the following accurately:

I. The session (or year) and the term, and the place and time of the meeting.

II. Name of the chairperson.

III. Attendance of directors at the meeting, specifying the names of those present, excused, and absent.

IV. Names and titles of those attending the meeting as nonvoting participants.

V. Name of minutes taker.

VI. Report Items.

VII. Discussion matters: The method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts and other persons; the name of any director that is an interested party as referred to in Paragraph 1 of the preceding Article, an explanation of the important aspects of the relationship of interest, the reasons why the independent directors were required or not required to enter recusal, the status of their recusal, opinions expressing objections or reservations at the meeting that are included in records or stated in writing, and any opinion issued in writing by an independent director under Paragraph 5, Article 12 herein..

VIII. Extemporary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, experts, supervisors, experts and other persons; the name of any director that is an interested party as referred to in Paragraph 1 of the preceding Article, an explanation of the important aspects of the relationship of interest, the reasons why the independent director is required or not required to enter recusal, the status of their recusal, and opinions expressing objections or reservations that are included in records or stated in writing.

IX. Other mandatory disclosures.

Any of the following matters in relation to a resolution passed at a Board of Directors' meeting shall be stated in the meeting minutes and, within two days of the meeting, be published on the MOPS designated by the Financial Supervisory Commission:

I. Dissenting or qualified opinion of an independent director that is on record or stated in writing

II. Any matter that has been adopted with the approval of two-thirds or more of all Board directors without having been passed by the Company's Audit Committee.

The attendance book forms a part of the minutes for each meeting of the Board of Directors and shall be well preserved throughout the existence of the Company.

The minutes of a Board of Directors' meeting shall bear the signature or seal of both the chairperson and the minutes taker. A copy of the minutes shall be distributed to each director within 20 days after the meeting. and well preserved as an important company record throughout the existence of the Company.

The production and distribution of the meeting minutes referred to in Paragraph 1 may be done in an electronic form.

Article 17. (Principle of authorization by the Board of Directors)

When the Board of Directors delegates the exercise of its power to others in accordance with law, regulations, or its Articles of Incorporation. However, the level of delegation or matters to be delegated shall be clearly specified, and no general authorization is permitted.

Article 18. (Self-inspection on the operations of the Board of Directors)

The administrative unit designated by the Company's Board of Directors shall conduct the self-inspection in accordance with the "Internal Control Self-Inspection Operating Procedure" at least once per year.

Article 19. (Supplementary Provisions)

The adoption of, and amendments to, the Rules shall be approved by the Company's Board of Directors and submitted to a shareholders' meeting.

Article 20. (Revision History)

These Rules of Procedure were established on June 13, 2007.

The first amendment was made on March 4, 2008.

The second amendment was made on June 20, 2008.

The third amendment was made on March 25, 2010.

The fourth amendment was made on December 21, 2012.

The fifth amendment was made on March 21, 2016.

The sixth amendment was made on November 10, 2017.

The seventh amendment was made on August 11, 2020.

The eighth amendment was made on March 15, 2024.