

TSC Auto ID Technology Co., Ltd.

Rules Governing the Scope of Powers of Independent Directors

Article 1. (Basis and Purpose of Formation)

The Company, in order to uphold strong corporate governance and implement an independent director system in which the independent directors can perform their duties freely and effectively, has established these Rules in accordance with Paragraph 1, Article 26 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2. (Scope of application for these Rules)

Except as otherwise provided by laws and regulations or by the Articles of Incorporation, matters concerning the duties of independent directors of the Company shall be as set out in these Rules.

Article 3. (Scope of Job Duties)

A minimum of one independent director shall be present at any meeting of the Board of Directors. All independent directors shall be present at any meeting of the Board of Directors in which a proposal is to be submitted for resolution. 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 objections or reservations regarding a proposal submitted for resolution, 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, and it is to be recorded in the Board of Directors meeting minutes:

- I. The Company's business plan.
- II. Annual financial reports signed or sealed by the Chairman, a manager or an accounting supervisor, and financial reports for the first three quarters audited and attested by a certified public accountant (CPA).
- III. Adoption of or amendments to the internal control system of the Company pursuant to Article 14-1 of the Securities and Exchange Act and an assessment on the effectiveness of the internal control system.
- IV. Adoption of or amendments to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others pursuant to Article 36-1 of the Securities and Exchange Act.
- V. Matters in which a director or a supervisor is an interested party.
- VI. Asset transactions or derivatives trading of a material nature.
- VII. Loans of funds, endorsements, or provision of guarantees of a material nature.
- VIII. Offering, issuance or private placement of equity-type securities.

- IX. The hiring or dismissal of a certified public accountant and their compensation.
- X. Appointment and dismissal of financial, accounting or internal auditing officers.
- XI. 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.
- XII. Matters that should be resolved by the shareholders' meeting or by the Board of Directors in accordance with laws and regulations or the Articles of Incorporation, or major matters as required by the competent authorities.

The related parties referred to in Subparagraph 11 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. (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 this paragraph will be substituted by the amount of 2.5% of shareholders' equity.)

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.

Article 4. (Liability insurance)

The Company shall take out liability insurance for all independent directors covering the scope and performance of their duties during their terms of office.

The Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for independent directors at the soonest Board meeting

Article 5. (Remuneration)

The Company shall set the remuneration of the independent directors in its Articles of Incorporation or by a resolution of a shareholders meeting, and may consider providing a reasonable level of remuneration different from that of ordinary directors. The Company may also, in accordance with procedures prescribed by law, consider providing remuneration for independent directors in the form of a fixed monthly salary, rather than through earnings distribution.

Article 6. (Continuing education)

All independent directors of the Company shall pursue continuing education, including attending the relevant training courses as required.

Article 7. (Informed consent)

The Company may not obstruct, refuse, or evade the actions of independent directors in the performance of their duties. Independent directors may request the Board to appoint relevant personnel or themselves hire required personnel as they see fit. Any relevant expenses necessary are borne by the Company.

Article 8. (Implementation and amendments)

These Rules shall be enforced upon approval of the Board of Directors. The same shall apply where these Rules are amended.

These Rules were established on March 27, 2012.

1st amendment hereto was made on November 10, 2017.

2nd amendment hereto was made on November 8, 2024.