

Rexon Industrial Corp., Ltd.

Director Election Procedure

Establishment date: June 18, 2020

Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2 Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3 The overall composition of the Board of Directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the Board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making 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.

Article 4 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 5 The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 6 The number of directors will be as specified in this Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those

receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 7 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 8 Where the candidate has shareholder status, the voter shall indicate the account name and shareholder account number of the candidate in the candidate field on the ballot; in case the candidate does not have shareholder status, the name and identity certificate number of the candidate shall be indicated. However, in case the candidate is a government or corporate shareholder, the candidate field on the ballot shall be filled out with the name of the government or corporation, or such name together with the name of the representative. Where there are more than one representative, the names of the respective representatives shall be provided.

Article 9 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the Board of Directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. In case the candidate whose name is indicated on the ballot has shareholder status, his/her account name or shareholder account number does not conform to the shareholder roster; in case the candidate whose name is indicated on the ballot does not have shareholder status, his/her name or identity certificate number is found nonconforming during the check.
5. Other texts are added in addition to the account name (name) or shareholder account number (identity certificate number) of the candidate and the distributed voting rights.
6. The name of the candidate provided is the same as the name of another shareholder and no shareholder account number or identity certificate number is provided for identification.

Article 10 The ballots shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the voting rights with which they were elected, shall be announced by the chair on the site.

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 one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 11 The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 12 The Procedure, and any amendments hereto, shall be implemented after approval by the shareholders' meeting.