

Systemx Corporation
Rules for Election of Directors

1. Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, the directors of the Company shall be elected in accordance with the rules specified herein.
2. 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, and 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.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

3. The qualifications for the independent directors of this Corporation shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
4. The directors of the Company shall be elected by adopting the candidate nomination system specified in Article 192-1 of the Company Act and the cumulative voting method, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. The names of voters may be represented by shareholders' numbers.
5. The directors of the Company shall be elected by the shareholders' meeting from among

the persons with disposing capacity. The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately. According to the quotas stipulated in the Articles of Incorporation, those who have more voting rights are elected as independent directors and non-independent directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

5-1. The directors of the company shall have more than half of the seats elected and shall not have one of the following relationships.

(1) Spousal.

(2) The second degree of kinship.

5-2. If the elected director of the company does not comply with Article 5-1, the elected director shall be determined in accordance with the following provisions.

(1) If the directors do not meet the requirements, if the votes of the directors who do not meet the requirements are lower, the election will be invalid.

6. At the beginning of the election, the Chairman shall appoint several persons with shareholder status each to check and record the ballots.

7. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The ballot box used for voting shall be prepared by this Company and checked in public by the person to check the ballots before voting.

8. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

9. Ballots shall be deemed void under the following conditions:

(1) The ballot was not prepared by a person with the right to convene.

(2) A blank ballot is placed in the ballot box.

(3) The writing is unclear and indecipherable or has been altered.

(4) Other words or marks are entered in addition to the number of voting rights allotted.

(5) The candidate whose name is entered in the ballot does not conform to the director candidate list.

10. The voting rights 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 numbers of votes 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.

11. The Company shall issue notifications to the directors elected.
12. These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

The Procedures was established in April 12, 2001.

The 1st Amendment on Mar. 28, 2002, the 2nd Amendment on June 15, 2006, the 3rd Amendment on June 13, 2007, the 4th Amendment on June 17, 2015 and the 5th Amendment on August 27, 2021.

The Rules for Election of Directors were implemented after approval in accordance with laws and regulations.