



Taiwan Tea Corporation

Rules for the Directors Election

Established on August 29, 1981
Amendment on June 20, 1987
Amendment on May 15, 1998
Amendment on June 17, 2002
Amendment on June 5, 2012
Amendment on June 2, 2015
Amendment on September 29, 2016
Amendment on June 15, 2021

- Article 1: Election of directors within Taiwan Tea Corporation (the Company) shall proceed according to this policy.
- Article 2: Board of directors elections shall be held during shareholder meetings.
- Article 3: Directors of the Company shall be elected using the cumulative voting system.
- Article 4: For the election of the Company's directors, unless otherwise provided in the Articles of Incorporation, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected. The convener shall prepare votes in the number equal to the number of directors to be elected and distribute these votes to each shareholder.
- The said votes may be consolidated for the election of one candidate or may be split for the election of two or more candidates.
- Article 5: Directors of the Company shall be elected after taking into account the overall board allocation. The members of the Board of Directors shall be diversified. The Board of Directors shall draw up appropriate diversification guidelines based on its operation, the business operation type, and the development of the Company, including but not limited to the following two major criteria:
1. Basic conditions and values: Gender, age, nationality, culture, etc.

2. Professional knowledge and skills: Professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industry experience.

The board of directors shall have the knowledge, technique, and quality needed for the implementation of their duties, the Board of Directors shall overall have the following abilities:

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. International market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the Company's board members shall consist of persons who are neither a spouse nor a second-degree relative or closer to any director.

Composition of the board of directors may be determined after taking into consideration the overall performance evaluation.

Article 6: Audit Committee of the Company shall possess the following qualities:

1. Honest and pragmatic.
2. Able to make impartial decisions.
3. Professional knowledge.
4. Extensive experience.
5. Ability to read financial statements.

In addition to the above qualities, at least one Audit Committee member shall possess a professional accounting or financial background.

Appointment of Audit Committee members is subject to the rules of independence mentioned in Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Having a capable group of independent directors helps

enhance risk management and financial/operational control within the Company.

Article 7: The Company adopts the candidate nomination system procedure specified in Article 192-1 of the Company Act for the election of the directors. When reviewing the qualifications, education and work experience of director candidates and checking whether they meet any circumstance listed under Article 30 of the Company Act, the Company shall not request certification documents regarding other qualifications. It shall provide the review result to the shareholders as a reference for them to elect appropriate directors.

Independent directors are subject to the eligibility criteria outlined in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

If the Company has less than five active directors at any given time due to dismissal, a by-election shall be held in the upcoming shareholder meeting to fill the open position. However, if the shortfall amounts to one-third of the seats mentioned in the Articles of Incorporation, the Company shall convene an extraordinary shareholder meeting within the next 60 days to elect candidates for the shortfall.

Where the number of independent directors does not meet the number specified in the proviso to Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held at a recent shareholders' meeting; when all the independent director are dismissed, an extraordinary shareholders' meeting shall be convened for by-election within 60 days upon the occurrence of the fact.

Article 8: Directors and independent directors of the Company shall be elected by shareholders during the same voting session for the number of seats specified in the Articles of Incorporation from a list of proposed candidates. Votes are to be distinguished between independent and non-independent directors; candidates who receive the highest number of votes shall be assigned the role of non-independent director followed by an independent director, until the number of non-independent director and independent director

seats mentioned in the Articles of Incorporation is fully filled. If two or more candidates receive the same number of votes, they shall draw for the remaining available seats. The chairperson will draw on behalf of those who are absent during the meeting.

Article 9: The convener shall print ballots on which voters' shareholder account number and the number of their votes shall be printed. In addition, these ballots shall be stamped with the Company's seal.

Article 10: Before the election begins, the chairperson shall appoint several shareholders to undertake the roles of ballot examiner and ballot counter to assist in the election.

Article 11: A ballot box shall be prepared by the convener and opened by the monitoring personnel for examination before voting.

Article 12: If the candidate is a shareholder, voters will have to specify both the candidate's account name and shareholder account number in the "candidate" field. However, if the candidate is a government agency or a corporate shareholder, the "candidate" field shall be filled in with the name of the government agency or corporate entity, or the name of its representative. If the candidate is not a shareholder, details including the candidate's name and national ID card number or business ID shall be specified.

Article 13: Ballots meeting any of the following circumstances shall become invalid:

1. The used ballots are not prepared by the convener.
2. Casting of blank ballots into the ballot box.
3. Ballots with illegible writing or are altered in an inappropriate manner.
4. Where the candidate is a shareholder, the written identity and shareholder account number do not match the shareholder registry; or where the candidate is a non-shareholder, the written name and national ID card number/business ID do not match the candidate's identification.
5. The candidate's name written on the ballot coincides with another shareholder, but no shareholder account number is provided for distinction; or where the candidate is a non-shareholder, no national ID card number or business ID was specified.

6. The number of candidates specified in a ballot exceeds the number allowed.
7. Ballots that contain writings other than the candidate's account name (or name) and shareholder account number (or national ID card number/business ID).
8. Ballots that do not specify the candidate's account name (or name) or shareholder account number (or national ID card number/business ID).
9. Ballots that are cast into the ballot box outside the timeframe announced by the chairperson.

Article 14: Voters that allocate fewer votes than they are entitled to shall be deemed to have forfeited unallocated votes.

Article 15: Ballots are to be counted openly immediately after the voting session. The chairperson shall openly announce the outcome of the vote, including the names of elected directors and independent directors and the number of votes received.

The ballots for the aforementioned election shall be kept in the box, sealed and signed by the monitoring personnel, and retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 16: The Company will issue separate confirmations to elected directors to certify their elected roles.

Article 17: Any matters that are not addressed in the Policy shall be governed by The Company Act and Articles of Incorporation.

Article 18: This Policy shall take effect once approved during a shareholder meeting; the same applies to all subsequent revisions.