

Giant Manufacturing Co., Ltd.
Director Election Procedures

July 8, 2021

Article 1

The Procedures are established pursuant to Articles 21 and 41 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” for a fair, impartial and transparent election of directors.

Article 2

Except for matters stipulated in applicable laws and regulations or the Articles of Incorporation, the election of directors shall proceed in accordance with the Procedures.

Article 3

The election of directors shall consider the overall composition of the Board of Directors (the “Board”), which shall include considerations of diversity. An appropriate diversity policy shall be formulated based on the Company’s operation, business model and development needs. The policy shall include, but not be limited to, standards of the following two aspects:

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

Board members shall possess knowledge, skills and abilities required to carry out their duties. Competence required of Board members are presented as follows:

1. Operational judgment
2. Accounting and financial analysis
3. Business management
4. Crisis management
5. Industrial knowledge
6. Global market perspective
7. Leadership
8. Decision-making

The majority of directors shall not be spouses or relatives within the second degree of kinship to another director.

Article 4

Directors of the Company are elected using the cumulative voting method. Each share shall have voting rights equivalent to the number of directors to be elected, and such voting rights can be combined to vote for one person, or divided to vote for several persons.

Article 5

The Board shall prepare the same number of ballots as directors to be elected and the number of voting rights shall be specified on the ballots, which would be distributed to shareholders attending the shareholders' meeting. The attendance card numbers may be used to replace the names of voting shareholders on the ballots.

Article 6

For the number of directors set forth in the Articles of Incorporation, the number of votes for independent and non-independent directors are calculated separately, and candidates who acquire more votes shall win the seats of independent and non-independent directors respectively. If two or more candidates acquire the same number of votes and the number of such candidates exceeds the specified available seats, the candidates acquiring the same votes shall draw lots to decide who shall win the seats, and the chair shall draw lots on behalf of the candidate who is not present.

Article 7

Before the election, the chair shall appoint several shareholders as ballot examiners and tellers to perform relevant duties. The ballot box used for voting shall be prepared by the Board and checked in public by the ballot examiners before voting.

Article 8

Ballots shall be deemed void in any of the following circumstances:

1. Ballots not prepared by the person who has the power to convene the meeting.
2. Blank ballots.
3. Illegible writing or modification.
4. The name written on the ballot is inconsistent with the name on the director candidate list.
5. Ballots with written characters in addition to the number of voting rights assigned.

Article 9

The ballots shall be counted right after the voting process and the voting results shall be announced by the chair at the meeting.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the ballot examiners and retained properly 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 lawsuit.

Article 10

The Board would issue a notice of election to the elected directors.

Article 11

The Procedures and any amendments thereto shall take effect once approved by the shareholders' meeting.