

# Formosa Saint Jose Corp.

## Procedures for the Election of Directors

### 1. Purpose

To ensure the fair, impartial, and transparent election of directors, these Procedures are established in accordance with Articles 21 and 41 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

### 2. Scope of Application

The election of the Company's directors, unless otherwise stipulated by law or the Articles of Incorporation, shall be conducted in accordance with these Procedures.

### 3. Qualifications of Directors

3.1. The selection of directors of the Company shall take into account the overall composition of the board. The composition of the board should consider diversity, and in light of the board's operations, business model, and development needs, an appropriate diversity policy should be formulated. Such policy should include, but is not limited to, the following two key dimensions:

3.1.1. Fundamental Attributes and Values: Gender, age, nationality, culture, and similar factors.

3.1.2. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

3.2. Board members should generally possess the necessary knowledge, skills, and competencies to perform their duties. The collective capabilities of the board should include the following:

3.2.1. Operational Judgment Ability

3.2.2. Accounting and Financial Analysis Ability

3.2.3. Management Capability

3.2.4. Crisis Management Ability

3.2.5. Industry Knowledge

3.2.6. Global Market Perspective

3.2.7. Leadership Ability

3.2.8. Decision-Making Ability

3.3. More than half of the board members should hold independent seats, and no board member may have a spouse or a relative within the second degree of kinship serving on the board.

3.4. The Company's Board of Directors should, based on the results of the performance evaluation, consider adjusting the composition of the board members.

#### 4. Qualifications for Independent Directors

Qualifications and Selection of Independent Directors

##### 4.1 Qualifications:

The company's independent directors shall meet the requirements set forth in Articles 2, 3, and 4 of the "Regulations Governing the Appointment and Compliance of Independent Directors of Public Companies" .

##### 4.2 Selection:

The appointment of independent directors shall comply with Articles 5, 6, 7, 8, and 9 of the same regulations. After the company becomes listed, the selection process must also follow Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

This ensures that independent directors are properly qualified, appointed in accordance with law, and aligned with good corporate governance practices.

#### 5. Election and By-Election of Directors

##### 5.1 Election of Directors (Including Independent Directors):

The company shall elect directors in accordance with the candidate nomination system as prescribed in Article 192-1 of the Company Act.

- The review of director candidates' (including independent directors) qualifications shall cover their eligibility, educational and professional background, and any disqualifying circumstances under Article 30 of the Company Act.
- No additional qualification documents may be arbitrarily imposed.
- The results of the review shall be provided to shareholders for reference, ensuring the selection of suitable and qualified directors.

## 5.2 By-Election of Directors:

- If a director resigns or is otherwise removed, and the total number of directors falls below five, the company shall hold a by-election at the next shareholders' meeting.
- If the number of director vacancies reaches one-third of the total seats specified in the Articles of Incorporation, the company shall convene a special shareholders' meeting within 60 days from the occurrence of the vacancies to hold a by-election.

This ensures compliance with the Company Act and maintains the proper functioning of the board.

## 6. By-Election of Independent Directors and Cumulative Voting

### 6.1 Independent Directors' By-Election:

- If the number of independent directors falls below the minimum required under:
  - Article 14-2, Paragraph 1 (proviso) of the Securities and Exchange Act, or
  - Taiwan Stock Exchange listing review criteria, or
  - Article 10, Paragraph 1, Subparagraph 8 of the Taipei Exchange Specific Standards for Non-Listing of Securities", a by-election shall be held at the next shareholders' meeting.
- If all independent directors are removed, the company shall convene a special shareholders' meeting within 60 days from the occurrence of the vacancy to elect new independent directors.

### 6.2 Cumulative Voting System:

- The company shall adopt a cumulative voting system for the election of directors.
- Each share shall have voting rights equal to the number of directors to be elected.
- Shareholders may concentrate all votes on a single candidate or distribute votes among multiple candidates.

This ensures the board maintains statutory composition and shareholders can exercise voting rights effectively.

## 7. Preparation and Distribution of Ballots for Director Elections

- The board of directors shall prepare ballots equal in number to the directors to be elected.

- Each ballot shall indicate the corresponding voting weight.
- The ballots shall be distributed to shareholders attending the shareholders' meeting.
- Shareholders may identify themselves on the ballot by name, or alternatively, use the attendance certificate number printed on the ballot as identification.

This procedure ensures orderly voting while maintaining transparency and traceability of shareholder votes.

#### 8. Election of Directors by Voting Weight

- The company shall calculate the voting rights for independent directors and non-independent directors separately, according to the number of seats specified in the Articles of Incorporation.
- The candidates receiving the highest voting weights shall be elected in order until the specified number of seats is filled.
- If two or more candidates receive equal voting weights that exceed the number of available seats, the election shall be determined by drawing lots among those candidates.
- For shareholders not present at the meeting, the chairperson shall draw lots on their behalf.

This procedure ensures fairness in elections when votes are tied and maintains compliance with the company's charter.

#### 9. Election Supervision and Ballot Handling

- Before the election begins, the chairperson shall designate several vote supervisors and ballot counters from among the shareholders to carry out the related duties.
- The ballot box shall be prepared by the Board of Directors and opened in public by the vote supervisors before voting starts.

This ensures transparency and proper oversight of the election process.

#### 10. Filling in Candidate Information on the Ballot

- If the candidate is a shareholder: The voter must write the candidate's account name and shareholder account number in the candidate section of the ballot.
- If the candidate is not a shareholder: The voter must write the candidate's full name and identification document number.

- If the candidate is a government or corporate shareholder: The candidate section may list the name of the government or corporate entity, or list both the entity's name and the names of its representatives. If there are multiple representatives, the names of all representatives should be listed separately.

This ensures accurate identification of candidates regardless of their shareholder status or organizational type. °

## 11. Invalid Ballot Conditions

A ballot shall be considered invalid if it meets any of the following conditions:

- 11.1. Non-official ballot: The ballot used is not prepared by the Board of Directors.
- 11.2. Blank ballot: The ballot is submitted blank into the ballot box.
- 11.3. Illegible or altered: The writing is unclear or the ballot has been altered.
- 11.4. Incorrect candidate information:
  - If the candidate is a shareholder, the account name or shareholder number does not match the shareholder registry.
  - If the candidate is not a shareholder, the name or identification document number is incorrect upon verification.
- 11.5. Unauthorized markings: Any writing other than the candidate's name (or account name) and shareholder number (or ID number) and the allocated voting rights.
- 11.6. Ambiguous identification: If the candidate's name is identical to another shareholder and the shareholder number or ID number is not provided to distinguish them.

These rules ensure accuracy, fairness, and clarity in the board election process.

## 12. Vote Counting and Ballot Retention

- After voting is completed, the ballots shall be opened and counted on the spot, and the Chairperson shall announce the list of elected directors and their respective voting rights immediately.

- The ballots used in the election shall be sealed and signed by the election inspectors (monitoring personnel) and safely stored for at least one year.
- Exception: If a shareholder initiates a lawsuit under Article 189 of the Company Act, the ballots must be retained until the conclusion of the litigation.

### 13. Notification of Election

The directors who have been elected shall be issued a notice of election by the Board of Directors of the Company.

### 14. Implementation

These Procedures shall become effective upon approval by the Shareholders' Meeting, and any amendments hereto shall be subject to the same procedure.

### 15. Revision History

These Procedures were established on May 21, 2023.