

**Advantech Co., Ltd.**  
**Rules For Election of Directors**

**Article 1**

Directors of the Company shall be elected in accordance with the Rules specified herein.

**Article 2**

Directors of the Company shall be elected by adopting the nomination single cumulative voting method. Attendance card numbers printed on the ballots may be used instead of recording the names of voters. The ballots shall be prepared by the Board of Directors and shall be enclosed in the agenda for distribution to attending shareholders in accordance with their ID number and name. The number of voting rights of each shareholder shall be specified on the ballots.

In the election of Directors of the Company, each share shall 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 3**

The number of Directors shall be as specified in the Company's Articles of Incorporation. Based on a statistical tallying of the ballots, those receiving ballots representing the highest numbers of voting rights shall be elected sequentially as independent and non-independent Directors.

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 4**

The Board of Directors shall prepare the ballots. In addition to the Company's seal, the attendance ID number and the number of voting rights of each voter shall be printed on the ballot.

**Article 5**

Before the election begins, the Chair shall appoint a number of vote-monitoring and vote-counting personnel to perform their respective duties. The vote-monitoring personnel must have shareholder status.

**Article 6**

Ballot boxes shall be prepared for the election of Directors and shall be opened by the vote-monitoring personnel after voting. The votes of Directors casted for the election of independent and non-independent Directors shall be counted and elected separately.

**Article 7**

The tasks of the vote-monitoring personnel shall be as follows:

1. Check the ballot box in public before voting commences;

2. Maintain order and monitor the vote-casting process for any negligence and violations;
3. Check the number of ballots after voting is completed;
4. Check for any invalid ballots; and
5. Monitor the number of votes cast for each candidate as recorded by the vote-counting personnel.

#### **Article 8**

Voters shall include natural persons, juristic persons, and their representatives. The account number and name of the candidates must be noted on each ballot. Where the candidate is a government agency or a juristic person, the candidate column on the ballot shall include the name of the government agency or juristic person. Where there is more than one representative, the name of all the representatives shall be listed separately. Where the candidate is not a shareholder, the ID number and name of the candidate shall be indicated on the ballot, which shall then be cast in the ballot box.

#### **Article 9**

A ballot is invalid if any of the following circumstances occur:

1. Votes that are not in compliance with these Rules;
2. The number of candidates filled in the ballot exceeds the number of seats to be elected;
3. The total votes cast by the voter exceeds the total voting rights of that voter;
4. The account number and name of the candidate who is a shareholder filled in the ballot are inconsistent with the shareholders' register, and the name and ID number of the candidate who is not a shareholder filled in the ballot are incorrect;
5. A ballot is unidentifiable due to illegible writing or incomplete corrections;
6. The name of the candidate filled in the ballot is the same as another shareholder, and the candidate's shareholder account number or ID number is not indicated for identification;
7. The ballot contains other written characters in addition to the candidate's name, shareholder account number, or ID number, and the allocated number of votes;
8. A blank ballot is placed in the ballot box; or
9. A ballot is not cast in the designated voting zone.

#### **Article 10**

The vote-monitoring personnel shall verify the validity of any ballot in question. Invalid ballots shall be indicated as invalid and affixed with a signature or seal at the end of the vote counting. Vote-monitoring personnel shall check the sum of valid and invalid ballots upon completion of voting and then document the valid votes and number of voting rights. The names of the elected candidates shall be announced by the Chair.

#### **Article 11**

The Company shall issue notifications to the persons elected as Directors.

#### **Article 12**

All matters not covered by these Rules shall be subject to the Company Act, the Company's Articles of Incorporation, and applicable laws and regulations.

**Article 13**

These Rules, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

**Article 14**

These Rules were established on May 3, 1997.

Amendment 1 was made on April 24, 1999.

Amendment 2 was made on May 30, 2002.

Amendment 3 was made on June 15, 2007.

Amendment 4 was made on May 28, 2015.