Nominating Committee Charter of Primax Electronics Ltd.

Establishment date: January 23, 2017
Amendment for 1st instance: March 13, 2018
Amendment for 2nd instance: March 28, 2019
Amendment for 3rd instance: November 6, 2020

Article 1: To ensure the soundness of the board and strengthen the management mechanism of this Company, the Organizational Charter of the Nominating Committee (below, "this Charter") is adopted pursuant to Article 27, Paragraph 3 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2: Except as otherwise provided by law and regulation or by the articles of incorporation, matters relating to the official powers of the Nominating Committee (below, "the Committee") shall be handled in accordance with this Charter.

Article 3: This Company shall make the content of this Charter available on its website and the Market Observation Post System for public reference.

Article 4: The Committee shall be composed of chairperson and four Committee members selected by the board of directors; at least two Committee members shall be independent directors.

The term of a Committee member, except as otherwise provided by law and regulation or this Company's articles of incorporation or bylaws, shall extend from the date of the director's selection as Committee member by the board to the date of expiration of the director's term, the director's resignation from the committee or the directorship, or the director's replacement by another director selected as Committee member by the board.

Article 5: With authorization from the board of directors (below, "the board"), the Committee shall exercise the due care of a good administrator to faithfully perform the following duties and shall submit its proposals to the board for discussion:

1. To identify suitable candidates for directors and senior executives, and to submit to the Board of Directors a list of nominees for the Company’s directors, president, chief executive officer, chief financial officer, and directors and supervisors of key subsidiaries (collectively referred to as the “Nominees”). The Nomination Committee shall carefully evaluate the qualifications of the Nominees and whether any of the circumstances listed in Article 30 of the Company Act apply. Candidates for director shall be nominated in accordance with Article 192-1 of the Company Act.
   The Nomination Committee shall submit the evaluation results and a recommended list of Nominees to the Board of Directors. The list of candidates for chief financial officer shall first be submitted to the Audit Committee before being presented to the Board. When nominating candidates for independent directors, the Committee shall pay particular attention to the nominee’s qualifications, expertise, and integrity (in comparison to other candidates), and whether they meet the requirements set forth in the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the criteria established by the Taiwan Stock Exchange. The primary consideration shall be alignment with the Company’s development and the long-term interests of its shareholders.
2. To review the qualifications of the Nominees annually or as necessary, and to recommend to the Board of Directors whether replacements are required.

When performing the aforementioned duties, any Committee member who has a conflict of interest shall disclose the material aspects of such interest at the relevant Committee meeting. If the conflict is likely to harm the interests of the Company, the member shall not participate in the discussion or voting and must recuse themselves. Furthermore, such member may not act as a proxy for other Committee members in exercising voting rights. If a Committee member’s spouse, a relative within the second degree of kinship, or a company with a controlling or subordinate relationship with the member has an interest in the matter under discussion, the member shall be deemed to have a personal interest in the matter.

Article 6: The Committee may call a meeting at its discretion whenever necessary.

In calling a Committee meeting, a notice setting out the reasons for the meeting shall be given to the Committee members earlier than seven days in advance of the meeting. In emergency circumstances, however, the meeting may be called on shorter notice.

The Company chairperson shall be the convener of a Committee meeting. If the Committee convener is on leave, unable to convene a meeting for any reason, or required to recuse himself/herself pursuant to Article 5, Paragraph 2, the convener shall appoint another independent director on the Committee to act as a convener, or, when necessary, may appoint another member of the Committee to act as a convener. If the convener does not make such an appointment, the other Committee members shall select one independent director to serve as a convener.

The Committee may request management-level personnel of relevant departments, internal auditors, accountants, legal consultants or other personnel of the Company to attend the meeting and provide related information as required, provided such delegates shall leave upon any discussion or voting being conducted.

Article 7: The Committee's meeting agenda shall be drafted by the convener. Other members may also propose motions to the Committee for discussion. The meeting agenda shall be provided to members of the Committee in advance.

When a Committee meeting is convened, the Company shall make available an attendance book for attending members to sign and also for reference.

Committee members shall attend meetings in person. If a Committee member is unable to do so, it may appoint another member to do so as its proxy. Attendance via videoconferencing is deemed attendance in person.

A Committee member appointing another member to attend a meeting as its proxy shall issue a letter of authorization for each such appointment setting out the authorization in regard to matters for which the meeting is convened.

The proxy mentioned in Paragraph 3 above may accept the appointment by one person only.

Article 8: Except as otherwise provided by law and regulation or by this Company's articles of incorporation and bylaws, a resolution of the Committee requires the approval of a majority of the members present at the meeting attended by two-thirds or more of all Committee members. If, during the voting process, the chairperson of the committee consults the members and no objections are raised, the resolution shall be deemed adopted and shall have the same effect as a vote.

The proceedings of a Committee meeting shall be recorded in minutes, which shall specify the following matters in detail:

1.Session, time, and place of the meeting
2.Chairperson's name
3.Attendance of members, including names and numbers of members who are present at the meeting, on leave or absent from the meeting
4.Names and titles of nonvoting delegates at the meeting
5.Name of minutes taker
6.Matters reported on
7.Matters for discussion: the resolution method and outcome of each motion, and any objections or reservations expressed by any Committee member
8.Extempore motions: the name of the person submitting the motion, the resolution method and outcome of the motion, and summary of statements and objections or reservations expressed by members of the Committee, experts and other persons
9.Other matters required to be recorded.

The attendance book of the meeting, and the video and audio record in the event of a videoconference convened, are an integral part of the minutes of the proceedings.

Minutes of the proceedings must be signed or sealed by the chairperson and the minute taker of the meeting, and copies thereof shall be distributed to all Committee members within 20 days after the meeting. The minutes shall also be submitted to the board and be deemed important files of the Company, and shall be retained for five years. Preparation and distribution of the minutes of the proceedings may be done electronically.

In the event of a suit in respect of a matter concerning the Committee before the retention period in the preceding paragraph expires, the minutes shall be retained until the conclusion of the litigation.

Article 9: The Committee may resolve to retain the service of an attorney, professional human resources agency, investment bank, certified public accountant, or other professionals to provide advice with respect to matters in connection with Articles 5 and 6. The costs of their services shall be borne by this Company.

Article 10: The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 11: This Charter shall take effect after having been submitted to and approved by the board of directors. Subsequent amendments thereto shall be effected in the same manner.

Article 12: This Charter establishment at January 23, 2017.