

CASwell, Inc.

Election Procedures of Directors

Formulated by the Board of Directors on May 4, 2023
Approved by the Shareholders' Meeting on June 14, 2023

- Article 1 The election of directors of the Company shall be performed in compliance with the provisions of these Rules.
- Article 2 The election of directors of the Company shall be held at the shareholders' meeting.
- Article 3 Anyone with disposing capacity shall have opportunities to be elected as a director of the Company.
- Article 4 The number and tenure of directors in the Company shall be determined in accordance with the Company's Articles of Incorporation.
- Article 5 The election of directors of the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. And the cumulative voting method shall be adopted. Each share shall, in accordance with the law, have the same number of voting rights as the number of directors to be elected, and one director may be elected among them or several persons may be allocated for election. The register of the electors may be substituted by the card number printed on the ballot, and the electors' shares shall be subject to the shareholders register of the Company. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected are calculated separately. The qualification and election of independent directors of the Company shall comply with the provisions of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and relevant laws.
- Article 6 The number of directors will be as specified in the Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially. When two or more persons receive the same number of votes, therefore, exceeding the number of positions specified in the Articles of Incorporation, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance, who shall not raise any objection to the result. Unless approved by the competent authority, more than half of the Company's directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

If the elected directors of the Company do not conform to the provisions of the preceding paragraph, the election of such directors with lower voting rights, as a director shall become invalid.

- Article 7 The Board of Directors shall prepare ballot papers, which shall be stamped with the Company's seal, and shall also include the voter's attendance certificate number and votes on the ballot paper.
- Article 8 At the beginning of the election, the chairman shall designate a number of personnel as scrutineers and tellers to handle matters concerned.
- Article 9 The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10 A ballot is invalid under any of the following circumstances:
I. The ballot provided for in these Procedures is not used.
II. A blank ballot is placed in the ballot box.
III. The writing is unclear and indecipherable or has been altered.
IV. Names of two or more candidates are entered in the same ballot.
V. The candidate whose name is entered in the ballot does not conform to the director candidate list.
VI. Other words are entered in addition to the number of voting rights allotted.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept appropriately for a period of 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 litigation.
- Article 12 Any matters covered in the Procedures shall be governed by the Company Act and the Company's Articles of Incorporation.
- Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.