

TECO Electric & Machinery Co., Ltd.
NOTICE of
2020 GENERAL SHAREHOLDERS' MEETING
(Summary Translation)

I. The 2020 General Shareholders' Meeting will be held on Monday, May 11, 2020 at 9:00a.m. at 11 An Dong Road, Industrial Zone, Chung-Li, Taoyuan City (TECO Chung-Li Plant)

II. Agenda.

1. Reports:

- (1) Business Report for 2019
- (2) Inspection Report of Audit Committee for 2019
- (3) Remuneration distribution to employees and directors for 2019
- (4) Distribution of cash dividends from profits in 2019
- (5) Amendment to "Corporate Social Responsibility Best Practice Principles"
- (6) Amendment to "Corporate Governance Practice Principles"
- (7) Amendment to "Ethical Corporate Management Best Practice Principles"
- (8) Amendment to "Codes and Procedures for Ethical Management and Guidelines for Conduct"

2. Ratification:

- (1) Business Report and Financial Statements for 2019
- (2) Distribution of 2019 Profits

3. Discussion:

- (1) Amendment to "Procedures for Lending of Capital to Other Parties"
- (2) Amendment to "Procedures for Endorsement and Guarantee"
- (3) Amendment to "Articles of Incorporation"
- (4) Proposal for capital reduction by returning cash to shareholders (proposed by shareholder PJ Asset Management Co., Ltd.)

4. Extempore motion(s)

III. Distribution of profits and determination of the dividend amount for 2019 as resolved by the Board of Directors is as follows:

Cash dividends: NT\$0.99 will be distributed in cash per share which, though, will be rounded off, leaving out decimal fraction. In the event of any change to the total number of outstanding shares as a result of the issuance of convertible bond, Company's buyback of its own shares,

transfer, conversion or deregistration of treasury shares, exercise of employees' stock option and other factors, it is proposed that the Shareholders' Meeting grants the Chairman full authority to handle all relevant matters subject to the fixed payout rate mentioned above. The ex-dividend date and the distribution date shall be determined by the Board of Directors authorized to do so.

- IV. Should there be items related to article 172 of the Company Act on the agenda of the shareholders' meeting, their major contents, in addition to inclusion in the notice for the meeting, be posted on the Market Observation Post System under icon: Electronic Books/Shareholders' meetings/2020 (<https://emops.twse.com.tw/server-java/t58query>).
- V. In accordance with Article 165 of the Company Act, transfer of shares of the Company shall be suspended from March 13, 2020 through May 11 2020.
- VI. The Company will compile and post a general list of information on calls for proxies, if any, by April 10, 2020, on the Securities & Futures Institute website (<http://free.sfib.org.tw>). Investors may conduct search for the information by logging on the above site. The Stock Transfer Agency Department of Taishin International Bank Co., Ltd. will certify the tally of proxies.
- VII. Voting right for the shareholders' meeting can be exercised via electronic form during the period from April 11, 2020 to May 8, 2020. Please access "Shareholder e-voting" at the website of Taiwan Depository and Clearing Corporation. (<https://www.stockvote.com.tw>)

Board of Directors
TECO Electric & Machinery Co., Ltd.