

# **YIEH PHUI ENTERPRISE CO., LTD.**

## **Rules of Procedure for Board of Directors Meetings**

Amended on 2024/03/07

- Article 1 To establish a strong governance system and sound supervisory capabilities for this Corporation's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2 With respect to the board of directors meetings of this Corporation, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.
- Article 3 The board of directors shall meet at least quarterly.  
A notice of the reasons for convening a board meeting shall be given to each director before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.  
The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.  
All matters set forth under Article 6, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion.
- Article 4 The designated unit responsible for the board meetings of this Corporation shall be Finance Office.  
The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.  
A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.
- Article 5 The Company's regular board meeting agenda includes at least the following items:
- I. Reporting matters:
    - Last minutes of meeting and its execution;
    - Important financial and business report;
    - Internal audit report;
    - Other important reporting matters.
  - II. Discussion matters:
    - Discussion continued from the last meeting;

Scheduled discussion of the current meeting.

III. Motions

Article 6 The matters to be discussed in the board meeting:

- I. Corporate business plan.
- II. The annual financial reports signed or sealed by the chairman, managers and accounting chief officer and the seasonal financial reports audited by certified public account (CPA).
- III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Act, and an assessment of the effectiveness of the internal control system.
- IV. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The election or discharge of the chairman of the board of directors..
- VII. Appointment or dismissal of Finance Officer, Accounting Officer, and Internal Audit Officer.
- VIII. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
- IX. Any matter required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.

The so-called “related party” stated in Paragraph 9 in the preceding paragraph refers to the related party defined in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firm. The so-called “major donation made to the non-related party” refers to the amount of each donation or the cumulative amount of donation made within one year to the same subject over NT\$100 million, or equivalent to 1% of the net annual revenues stated in the most recent financial report audited by a CPA, or over 5% of the paid-in capital.

The so-called “within one year” stated in the preceding paragraph refers to one year prior to the baseline date of the current board meeting; also, the donation that had already been resolved in the board meeting is excluded.

For the matters to be resolved in the board meeting in accordance with

Article 14.3 of the Stock Exchange Act, the independent directors, if any, of the Company shall attend the meeting in person or by proxy of the other appointed independent directors. Opposition or reservations, if any, of the independent directors should be stated in the minutes of board meeting. If independent directors cannot attend the board meeting in person to express their oppositions or reservations, unless with legitimate reasons, shall issue a written opinion in advance and state it in the minutes of board meeting.

Article 7 When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with this Corporation's articles of incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 8 Board meetings shall be convened at the Company's premises during the office hours. However, board meetings can also be convened at the location and time that is convenient and suitable for board directors' attending.

Article 9 Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

Article 10 When the board meeting is convened, the personnel of the relevant department or subsidiaries for the motion may be informed to attend the board meeting. The Finance Office should have relevant information ready at the board meeting for the reference of the attending directors.

If it is necessary, the Company may invite the commissioned CPAs, attorneys, or other professionals to attend the board meeting with opinions expressed for the reference of the attending directors; however, they must have themselves excused from the meeting when the motions are in discussion or voting.

Article 11 The Company should have the entire board meeting reserved by audio or video recording and stored for at least five years in an electronic form, if necessary.

For the litigation filed involving the matters resolved in the board meeting before the expiry of the data reservation period as stated in the preceding paragraph, the related video or audio recording data must be reserved until the end of the legal proceedings.

For the board meeting held by a video conference, the related audio and video recording data is an integral part of the minutes of meeting and should be reserved throughout the duration of the Company.

Article 12 The Chairman shall call the meeting to order at the meeting time with the mandatory attendance rate. If the number of directors attending the board meeting is not legally sufficient, the Chairman may announce to have the meeting postponed on the day which is limited to two postpones. If there remains insufficient attendance rate after two postpones, the Chairman may have the board meeting reconvened in accordance with Article 3.

Article 13 The motion discussion in the board meeting should be conducted in accordance with the scheduled agenda in the meeting notice and may not be changed without the consent of a majority of the attending directors.

The Chairman may not have the meeting adjourned discretionally without the consent of a majority of the attending directors.

If the directors at the meeting in session are less than a majority of the attending directors, the Chairman shall announce to have the meeting suspended temporarily upon the request of the director at the meeting in session as stated in the first paragraph of the preceding Article.

During the board meeting, if the chairman is unable to preside over the meeting due to unforeseen circumstances or fails to adjourn the meeting in accordance with the provisions of the second clause, the appointment of their proxy shall be governed by the provisions of Article 9, Clause 3.

Article 14 The Chairman who believes that the motion in discussion is ready for voting may announce discretionally to stop discussion and start to vote.

The motion voted in the board meeting is deemed as passed with the attending directors

consulted by the Chairman and no objection raised.

The Chairman is to have the motion resolved in the board meeting in accordance with one of the following requirements; however, majority votes shall prevail if there is any objection raised by the attending directors:

- I. Vote by a show of hands or voting machine;
- II. Vote by a roll-call;
- III. Vote by ballot;
- IV. Vote by the means determined by the Company.

The so-called “all attending directors” in the first two paragraphs exclude the directors without voting rights that are defined in Article 17 Paragraph 1.

Article 15 Motions are resolved and passed with a majority vote of the attending directors, unless otherwise provided in the Company Act and the Company’s Articles of Incorporation. The amendment or substitute of the same motion, if any, is to be merged into the original motion by the Chairman for determining the voting priority. However, if one of the motions is passed, the other motions shall be deemed as vetoed without the need of further voting.

The scrutineers and counting personnel that are needed for voting on a motion are to be designated by the Chairman; however, the said scrutineers must be appointed from the board directors.

The results of the vote should be reported at the scene and then documented.

Article 16 Directors as a stakeholder personally or on behalf of the legal person for the meeting matters should indicate the important content of their stakes in the board meeting. In addition, if it is detrimental to the interests of the company, the directors may not join the discussion and voting, and must have themselves excused at the time of discussion and voting. Moreover, they may not exercise voting right on behalf of the other directors.

Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.

The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.

Article 17 The resolutions reached in the board meeting must be documented in the minutes of meeting. The following matters should be detailed in the minutes of meeting:

- I. Term (or year) of board meeting and the time and place;
- II. Name of the Chairman;

- III. Directors' attendance, including the name and number of the attendees, directors on leave, and absentees;
- IV. The names and titles of the attendees;
- V. Name of the clerk;
- VI. Reporting matters;
- VII. Discussion matters: The resolution methods and results of each motion, the statement summary of the directors, specialists, and others, the names of the directors who are a stakeholder according to Paragraph 1 of the preceding Article, the content of the stake, the reasons for having themselves excused or not-excused, recusal situations, objections or reservations in writing or documented, and the written statements and opinions of independent directors issued pursuant to Article 6 Paragraph 5;
- VIII. Motion: The name of the motion proposer, resolution methods and results of each motion, the statement summary of the directors, specialists, and others, the names of the directors who are a stakeholder according to Paragraph 1 of the preceding Article, the content of the stake, the reasons for having themselves excused or not-excused, recusal situations, and objections or reservations in writing or documented;

IX. Other matters to be recorded

The resolutions reached in the board meeting that are subject to the following circumstances should be documented in the minutes of meeting and disclosed on Market Observation Post System (MOPS) designated by the competent authorities within two days from the board meeting date.

1. The objections or reservations of independent directors documented or in writing.
2. A motion is not passed by the Audit Committee, if it is setup within the Company, unless with the consent of two thirds of the board directors.

The attendance registry of a board meeting is an integral part of the minutes of meeting and it should be reserved throughout the duration of the Company.

The presiding Chairman and the clerk must sign the minutes of meeting. In addition, it should be distributed to all directors within 20 days after the meeting.

The minutes of meeting should be classified as an important document of the Company and should be properly reserved throughout the duration of the Company.

The minutes of meeting can be produced and distributed electronically.

Article 18 With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, when the board of directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or this Corporation's

articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific, and carried out in accordance with the principles below:

- I. According to the Company's division of responsibilities handbook;
- II. According to Company's management regulations, systems, and rules;
- III. The appointment of the transfer invested company's directors and supervisors.

Article 19 These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.